

## The impact of HR practices in healthcare industry

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### Abstract

The management of human resources in healthcare institution is necessary to enable the delivery of efficient and effective medical services and to attain employee's satisfaction. This study aims to investigate the impact of practicing human resources management on healthcare organisation concerning the quality of service and achieving patients' satisfaction, after satisfying the employees. The study shows that effective human resources management has a strong impact on healthcare organisation's quality and improving the performance of hospital's staff.

**Keywords:** management, human resources, healthcare organisation

### 1. Introduction

Human Resources Management (HRM) is a essential management task in the field of healthcare and other services sectors, where the customer facing challenges because of staff's performance who have the experience and the quality of performance (Howard *et al.*, 2006) [5] and that human resource management plays an dynamic and crucial role in the success of the reform of the health sector. Human resource management is concerned with the development of both individuals and the organization in which they operate. Human Resource Management, then, is engaged not only in securing and developing the talents of individual workers, but also in implementing programs that enhance communication and cooperation among those individual workers in order to nurture organizational development. One of the main goals of Human Resource Management (HRM) is to enhance the performance of organizations.

Human resource functions are no longer particular functions, merely confined to the human resource or personnel department. The management of human resources is the responsibility of every manager in the present competitive business scenario. It is almost a fact that most of the problems in an organization are human related, since human being is active, complex and highly sensitive to environment. Managing the human resource in any organization is consequently a challenging task, unless the organization learns to tune human resources, success will be elusive.

The most important responsibilities associated with human resource management include: job analysis and staffing, organization and utilization of work force, measurement and appraisal of work force performance, implementation of reward systems for employees, professional growth of workers, and maintenance of work force. The lack of studies that cover the topic of Human Resources Management on the quality of healthcare could affect the development strategy in the healthcare sector of any nation, and without proper studies

in this field may contribute to weakening the overall performance of hospitals. For that reason, this study attempt to analyze the main articles and literatures with empirical research that discussed the role of HRM in the health sector and attempt to find the common points of previous studies with look upon to HRM. In addition to that this paper investigates the impact of HRM practicing on the healthcare organization's quality of health service as referred by earlier research and previous literature.

Pfeffer (1998) [8] emphasized the importance of gaining competitive advantage through employees and noted the importance of several Human Resource (HR) practices necessary to obtain this advantage. In the last two decades, several studies on HRM and performance have been conducted in the health care sector. There is a great importance of human resource management system in health care sector for the reason that In terms of the growth rate, the healthcare industry in India is touching ahead neck to neck with the pharmaceutical industry and the software industry. Till date, approximately 12% of the scope obtainable by the healthcare industry in India has been tapped. The healthcare industry in India is reckoned to be the engine of the economy in the years to come. Growing at an enviable rate of 15% every year, the healthcare industry in India is predictable to be a \$40 million by 2012. There are vast differences in medical expenses in western countries and that of India; India has become one of the favorites for healthcare treatments.

In the healthcare industry, as in most other service industries, the interaction between patients and healthcare service providers is an integral part of the service process (Conway & Willcocks 1997, Benbassat & Taragin 1998) [9, 8]. Health Care Organizations should be encouraged to take the role of the patient into consideration in the healthcare service process, and in order to accomplish high quality service (White 1999) respond to patients' needs and expectations. Another issue that is likely to challenge HCO management is the central role

played by employees in Service quality accomplishment. White (1995) reported cooperation between employees and managers as the key to providing high quality care, because it can compensate for the constraints imposed by cost containment and managed care. In pursuit of this objective, management might seek to implement progressive Human Resource Management practices that encourage service oriented behavior and show concern for employees' organizational and personal needs.

### **The impact of human resources on health sector reform**

While inspecting worldwide health care systems, it is both valuable and important to investigate the impact of HR on health sector reform. While the particular health care reform handle shifts by nation, a few trends can be recognized. Three of the principle patterns incorporate proficiency, value and quality objective.

Different HR activities have been utilized trying to build effectiveness. Outsourcing of services has been utilized to change over altered work uses into variable expenses as a method for enhancing efficiency. Contracting-out, performance contracts and internal contracting are additionally cases of measures employed. (Zurn, 2004) [12]

Many human resources initiatives for health sector reform also include attempts to increase equity or fairness. Strategies aimed at promoting equity in relation to needs require more systematic planning of health services. Some of these strategies include the introduction of financial protection mechanisms, the targeting of particular needs and groups, and re-deployment services. One of the goals of human resource professionals must be to use these and other measures to increase equity in their countries.

Human resources in health sector reform also seek to enhance the quality of services and patients' satisfaction. Health care quality is for the most part characterized in two ways: technical quality and socio-cultural quality. Technical quality refers to the impact that the health services available can have on the health conditions of a population. Socio-cultural quality measures the level of adequacy of services and the ability to satisfy patients' expectations. (Kirby, 2002) [6] Since all health care is ultimately delivered by people, effective human resources management will play a vital role in the success of health sector reform.

### **Role of Hrm in Health Care Sector**

According to the Niles (2013) [7] important role that human resource management activities play in the operations of a healthcare organization. Human resources can be connected to any activity of the operations of an organization, regardless of the industry. The role of HRM as briefly discussed has different functions in the health care management these are including legal as well as ethical issues of the treatment, health and wellbeing of employees and patients, careers in health care, labor unions in health care, job investigation and design, recruiting and selecting employees, employee benefits, training and motivating employees, and terminating employees. Strategic planning, including labor budget and forecasting, is addressed because of the contribution of HRM to successful strategic planning. Emerging and current trends in human resource management are also discussed. The

increased diversity of the patient and employee, the effect of technology and the globalization of the economy on healthcare delivery, the new trend of medical tourism, and the increased focus on accountability in the delivery of services and teamwork education are exciting changes in health care, which eventually will get better patient care.

### **Review of Literature on Human Resources Management**

Singh (2004) [11] has recommended that human resources (HR) policies have to be made compatible with business planning. Organizations must not consider people as variable expenses, but as assets and have to remember that they are precious and a source of competitive benefit. Budhar (2001) have indicated that "people and their total skills, capabilities and experiences, when they are joined with the company's skills towards the company's benefit, are well thought-out an important resource and contribution to corporate success and competitive advantage".

According to Bratton and Gold (2007) [3], HRM "is the process to connect the human resources function to the strategic goals of the organization to improve performance". They have added that HRM is a management practice that is necessary by the human resources policies and practices that will be connected to the organization's goals.

Sangeeta Trehan and Karan Setia (2014) [10], in their research entitled —Human Resource Management Practices and Organizational Performance: An Indian Perspective gives a better considerate of the role of human resource practices in creating and sustaining organizational performance, specifically in the Indian context. They discuss a structure that indicates how external and internal factors have an effect on HRM practices which in turn generate core benefits for the organization and ultimately lead to overall corporate performance.

Barney (1991) [2] is of the opinion that Human resource management has emerged as an essential factor for sustained competitive advantage. Their research highlights that organizations develop sustained competitive advantage through management of scarce and valuable resources like Human being. Empowered employees are the core assets of the organizations and they work for increase organizational performance.

### **Human resource management functions**

In general, human resources management aims to increase contributions of employees in organizations. Those contributions are new ideas, productively working and success. Human resources management should be accountable for social aims. This means human resources managers should behave fairly to social ethical norms and at the same time they should minimize the negative forces on organizations for the reason that of their demands from organizations. Human resources management is also responsible for organizations this it can be guessable from the perception. Their aims firstly establish fairly and higher standards of working places for every worker.

Robinson (1997) [9] defined HRM role is the provision of assistance in HRM issues to line employees, or those directly involved in producing the organization's goods and services. Acquiring people's services, developing their skills,

motivating them to high levels of performance, and ensuring their continuing maintenance and commitment to the organization are essential to achieving organizational goals. The authors proposed an HRM specific approach as consisting of four functions- staffing, training and development, motivation, and maintenance.

In human resource management, to provide the sufficient number of employees timely a plan should be made considering the organization's present potential, development trend and strategic targets. It is called as human resource management which aims using the present human resources wisely, supplies the future human resource needs in terms of quality and quantity (Akyüz, 2001) [1].

#### Objective of the study

- To review the HRM in healthcare sector for quality services.
- To study the role of HRM in healthcare sector.

#### Methodology

The research has taken catholic hospital of India and targeted to reach the maximum possible variety of participants. The information was gathered with the help of self-administered surveys. The research only used primary information gathered from the health care employees. Perceived organizational efficiency was evaluated only according to the views of the participants.

**Instrumentation:** The research was carried out by distributing structured and self-administrated surveys to the participants. Survey concerns included demographic information as well as information regarding human resources control on health proper care organisations regarding high quality service.

#### Procedure for data collection

To attain the objectives of the research of impact human resource management in healthcare sector with special reference to quality services required information were gathered by the both resources primary and secondary.

#### Primary Data

Primary information includes information collected through survey filled by the staff member of selected hospitals and by observing participants viewpoint by a fixed set of question presented in a survey.

#### Secondary Data

The information which is procured through already published resources like reports, websites, analysis papers, books etc is known as additional information. Main types of such kind of information were data source of analysis institutes, libraries, data source of journals, online investigation communities' data source which were computerized. Secondary information helps to create conceptual framework for the analysis.

#### Analysis demographic variables of respondents

##### Results and discussion

**Frequencies:** In the first area of the survey, participants were

introduced with concerns regarding their demographic information and information related with their work. Table 1 Involves outcomes of the information gathered in the first area.

**Table 1: Frequencies**

Variable	Frequency	Percentage (%)
<b>Gender</b>		
Female	58	77.38
Male	16	22.62
<b>Age</b>		
Between 20-30	32	43.25
Between 31-40	24	32.43
Between 41-50	18	24.32
More than 50	0	0

**Table 2**

<b>Marital Status</b>		
Variable	Frequency	Percentage (%)
Married	60	81.08
Single	14	18.9
Widowed	0	0
<b>Duty</b>		
Manager	4	5.04
Doctor / Practitioner	8	10.8
Nurse	40	54.05
Other	22	29.72
<b>Salary</b>		
10000-20000	48	64.86
20000-50000	14	18.91
More than 50000	12	16.21

According to the outcomes of demographic data, most of the participants were female employees (77.38%). The age distribution of the participants is relatively young there are no employees with age more than 50 and most is between 20-30 years (43.25%). Consistently, most of the medical good care worker participants tend available to be married (81.08%). As a part of the questionnaire, participants were asked about their duties at their medical center. Greater part of the participants tends available to be nursing staff (54.05%), a few were at the manager (5.04%) and some of them were doctors/practitioners (10.8%). Additionally, 29.72% of the participants involved chemists, laboratory assistants, sick nursing staff and clerical wellness employees. Lastly, medical care employees were questioned about their monthly salaries. Greater part of the participants answered as they are receiving a monthly salary approximately 10000-20000 per month.

#### Analysis of Hypothesis

Analysis of variance test was conducted to be able to reveal the hypothesized relationship between human resources management of employees and their top quality services. According to the outcomes of research, there is a statistically significant connection ( $0.034 < 0.05$ ) between human resource management and recognized business efficiency of employees regarding top quality services. (Relationship is significant at 0.05 level).

**Table 2:** ANOVA Test Organizational Commitment ANOVA

Perceived organizational performance					
	Sum of Squares	Df	Mean Squares	F Sig.	Sig.
Between Groups	19.82	38	.522		
Within Groups	18.2	14	1.3	4.015	.034
Total	38.02	26			

Continuously, connection analysis has been performed aiming to indicate what kind of relationship (positive or negative) is present between human resources management and recognized business efficiency regarding top quality services in this case.

According to the outcomes of the correlations, there is a positive relationship between human resource management in healthcare industry and recognized business efficiency. Great outcomes pointed out that as the amount of human resource management exercise improves, the amount of recognized business efficiency regarding top quality support also improves and as the amount of individual sources control exercise reduces, the top quality support also reduces also the other way around. Additionally, Pearson Correlation analyze demonstrated that the present beneficial connection is a strong connection, with  $R = 0.785$ , between the two concepts.

### Conclusion

This research identified the relationship between human resources management and healthcare is extremely complex. This research and analysis have indicated that several key questions must be addressed and that human resources management can and must play an essential role in health care industry reform and top quality services. The research was carried out in a privately owned, selected famous healthcare sector in Jodhpur, so the findings of the research cannot be generalized to all private medical good care settings in the same area. The research can be repeated by collecting more data from all private and also public medical good care centers and medical centers to be able to generalize the outcomes in all medical centers in Rajasthan. A wide range of participants should be surveyed to be able to understand the nature of the link more clearly.

### Recommendations

Based on this assessment of the some selected famous medical centers in Jodhpur city, the following conclusions and recommendations can be drawn:

1. HR functions are very important in all health care facilities.
2. The HR processes and procedures are fairly good in the medical centers which have come up recently while that of the older medical care facility is also good and is in the process of being strengthened.
3. HR policy is important for all medical care facilities as it is the guiding document for Human Source Management.
4. HR department needs strengthening and constant updating in line with those of the corporate sector.

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