



ORIGINAL RESEARCH PAPER

Management

HUMAN RESOURCE MANAGEMENT PRACTICES IN HOSPITAL MANAGEMENT

KEY WORDS:

Competitiveness, Satisfaction, Effective Medical Services, Enhanced Cooperation, Development in ICT and Organisational Innovation.

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ABSTRACT

Human Resource Management is a vital management task in the field of healthcare and other services sectors, where the customer facing challenges because of staff performance who have the experience and the quality of performance and that human resource management plays an active and vital 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. HRM, then, is engaged not only in securing and developing the talents of individual workers, but also in implementing programs that enhance communication and cooperation between those individual workers in order to nurture organizational development. The rapid development of high technology, information and communications technologies have urged many organizations to actively seek for new way, ideas, experimentation, and creative solutions in improving their current product, process, system and technology, which commonly referred as organizational innovation/change. The study suggests the need to measure the performance of the managers of human resources department in the hospital before starting performance development process as well as continuous development and training of staff performance.

INTRODUCTION

Healthcare organizations have been undergoing considerable restructuring since the past decade. Health reforms in the last 25 years have focused largely on structural change, cost containment, and introduction of market mechanisms while the importance of HR management has often been overlooked. One important aspect of improving and maintaining service delivery in hospitals is efficient management of HR function. In many cases, these changes can be best conceptualized as a movement away from the domination of healthcare organizations by professionals and professional knowledge through a simultaneous increase in 'customer' orientation and rationalization. The idea that 'the consumer is the king, rather than the consultant' is the key. Equal in significance to these 'customer' oriented policies have been systematic pressures to rationalize healthcare production, increase efficiency, and cut costs in many economies. Most hospitals intend keeping their staffing levels to a minimum without compromising on their 'quality of care'. Healthcare employees expect their employers to provide infrastructure, HR practices, and support, which they can link to improved performance especially in relation to patient care and service innovations. Counter-intuitively, effort is maintained towards immediate patient care when employee expectations remain unmet. When examining health care systems in a global context, many general human resources issues and questions arise.

Research Objectives

The present paper aims with following objectives:

1. To know about the Healthcare Industry in India.
2. To study the human resource management in healthcare industry.
3. To give valuable suggestions for the best HRM practices in hospital management.

Literature Review

Ching-Chow Yang (2005), study confirms that HRM significantly affects TQM practices. The study concluded that HRM practices have a significantly positive effect on the TQM implementation. Implementing HRM practices can also have a significant effect on employee and customer satisfaction. It also positively affected "employees' quality awareness" and "corporate image". The quality performances were also significantly affected by the implementation of TQM. The management of a firm's human resources is important

because it affects profitability and competitiveness through its effects on employees' level of job satisfaction, commitment to the organization, and other organizational citizenship behaviors. Hoon, Lee Soo (2000), The HRM audit provides a means for managers to evaluate their firms' HRM practices and to assess how these HRM activities are contributing to their organizational objectives. The results obtained serves to encourage managers to develop a strategic approach to managing human resources as well as in measuring the performance of HRM activities. Systematic analysis of performance can help determine priorities that will lead to a more rational approach to the management of human resources HR has evolved from a mere administrative rubber stamp to a more active strategic business partner striving for aligning the HR processes with the core processes for attaining business excellence. **Bratton and Gold (1999:11)** interpreted the HRM as "That part of the management process that specializes in the management of people in work organizations. HRM emphasizes that employees are critical to achieving sustainable competitive advantage, that human resources practices need to be integrated with the corporate strategy, and that human resource specialists help organizational controllers to meet both efficiency and equity objectives. "Some scholars claim that HRM can lead to specifically measurable business outcomes (Huselid, 1995). Equally, HRM has its critics (Sisson, 1994; Legge, 1995) both of whom view HRM as a symbolic excuse to enhance managerial legitimacy where the management of individuals has been intensified within an enterprise culture (Keenoy and Anthony, 1992).

Healthcare Industry In India

Healthcare has become one of India's largest sectors both in terms of revenue and employment. Healthcare comprises hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and medical equipment. The Indian healthcare sector is growing at a brisk pace due to its strengthening coverage, services and increasing expenditure by public as well private players. Indian healthcare delivery system is categorised into two major components public and private. The Government, i.e. public healthcare system comprises limited secondary and tertiary care institutions in key cities and focuses on providing basic healthcare facilities in the form of primary healthcare centres (PHCs) in rural areas. The private sector provides majority of secondary, tertiary and quaternary care

institutions with a major concentration in metros, tier I and tier II cities. India's competitive advantage lies in its large pool of well-trained medical professionals. India is also cost competitive compared to its peers in Asia and Western countries. The cost of surgery in India is about one-tenth of that in the US or Western Europe. The overall Indian healthcare market today is worth US\$ 100 billion and is expected to grow to US\$ 280 billion by 2020, a Compound Annual Growth Rate (CAGR) of 22.9 per cent. Healthcare delivery, which includes hospitals, nursing homes and diagnostics centres, and pharmaceuticals, constitutes 65 per cent of the overall market. The Healthcare Information Technology (IT) market which is valued at US\$ 1 billion currently is expected to grow 1.5 times by 2020. Deloitte Touche Tohmatsu India has predicted that with increased digital adoption, the Indian healthcare market, which is worth US\$ 100 billion, will likely grow at a CAGR of 23 per cent to US\$ 280 billion by 2020. Over 80 per cent of the antiretroviral drugs used globally to combat AIDS (Acquired Immuno Deficiency Syndrome) are supplied by Indian pharmaceutical firms. There is a significant scope for enhancing healthcare services considering that healthcare spending as a percentage of Gross Domestic Product (GDP) is rising. Rural India, which accounts for over 70 per cent of the population, is set to emerge as a potential demand source.

India requires 600,000 to 700,000 additional beds over the next five to six years, indicative of an investment opportunity of US\$ 25-30 billion. Given this demand for capital, the number of transactions in the healthcare space is expected to witness an increase in near future. The average investment size by private equity funds in healthcare chains has already increased to US\$ 20-30 million from US\$ 5-15 million. A total of 3,598 hospitals and 25,723 dispensaries across the country offer AYUSH (Ayurveda, Yoga & Naturopathy, Unani, Siddha and Homoeopathy) treatment, thus ensuring availability of alternative medicine and treatment to the people. The Indian medical tourism industry is pegged at US\$ 3 billion per annum, with tourist arrivals estimated at 230,000. The Indian medical tourism industry is expected to reach US\$ 6 billion by 2018, with the number of people arriving in the country for medical treatment set to double over the next four years. With greater number of hospitals getting accredited and receiving recognition, and greater awareness on the need to develop their quality to meet international standards, Kerala aims to become India's healthcare hub in five years.

Human Resource Management in Healthcare Industry Generate Organizational Leadership Support:

The broad issue of human resources and how workers are managed is not just a technical concern, but is also profoundly political and touches on related aspects of governance and how human capital is developed and managed. Authority over human resources in terms of who trains, who recruits, who deploys and who manages staff within a government ministry is usually a source of tremendous power and influence and in the worst cases is a source of corruption and abuse. Recognizing and understanding in-depth and developing and applying the skill-sets and diagnostics to deal with these dynamics is important for program planners, consultants and others engaged in HRM reform. In other words, technical assistance alone is unlikely to yield sustainable results without some accompanying inter-connected changes in perspectives on the part of organizational leadership and professional associations with responsibility for human resources.

Invest in HRM culture and infrastructure:

Ministries of health in sub-Saharan Africa tend to have dedicated champions and teams who manage large national health programs for HIV/AIDS, tuberculosis, malaria and other health crises. However, the equally alarming crisis in human resources for health lacks similar champions and is also poorly resourced and chronically under-funded. Even if

they were available in sufficient numbers, the right composition and with suitable skills, health workers will not produce the desired impact without a strong HRM system and effectively planned, equipped, supplied and managed facilities. Adequate investments will be required to create professional HR managers with skilled staff, sufficient budgets and authority who are fully supported by senior leadership to introduce and implement HRM policies, practices and procedures at all levels of the organization. In addition, better tools will be needed to monitor and evaluate HRM efforts.

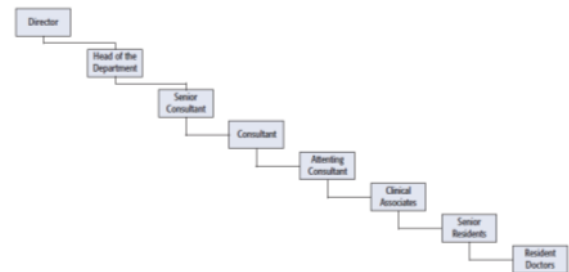


Figure 1: Exploring The Role Of HRM In Service Delivery In Healthcare Organizations

View HRM Through A Gender Lens:

Understanding and expressing concern for employees and treating them in a manner that fulfills their basic human needs and wants, including gender-specific considerations, will ultimately result in better performance. All the available evidence suggests that gender-based inequities in pay, deployment and career development opportunities as well as issues related to harassment and workplace violence have significant negative impact on recruitment, retention, motivation and quality of health workers. HRH leaders need to advocate and implement interventions that create better working conditions across gender lines to help solve the health workforce crisis. Position HRM at the heart of health sector and civil service reform: In recent years, international development bodies have emphasized the need for developing country governments to reform and strengthen health systems through a combination of sector-specific and wider civil service reforms. These reforms, especially those focusing on decentralization, have largely ignored or failed to address the complexities and challenges associated with HRM, thus jeopardizing the successful accomplishment of the reform measures. The reform spotlight now needs to focus on this huge gap that is holding back progress. Ongoing as well as future public-sector reforms will need to consider granting autonomy to key social sector ministries such as health, especially in terms of empowering them to assume direct responsibility and authority to plan, develop and manage their workforce.

Suggestions For The Best HRM Practices In Hospital Management

Following are the suggestions for the best HRM practices in Hospital Management:

1. **Approachable:** HR handles various aspects of employees. Successful HR Managers have an open door policy and are approachable to their employees.

2. **Business Acumen:** Business acumen is keenness and quickness in understanding and dealing with a business situation in a manner that is likely to lead to a good outcome. Successful HR managers possess good knowledge and understanding of the financial, accounting, marketing and operational functions of an organization.

3. **Communicator:** Communication plays a vital role in any organization and HR takes a major role in this. HR managers play a major role in this. One of the quality of a good communicator is to have good listening skills. Employees

come to HR managers on various issues. Listening to employees with full attention is one of good quality of a successful HR Manager.

4. Decision Maker: Successful HR Managers are strategic planners and take decisions which are apt and considering all the facts. They are not afraid to make the hard decisions for the benefit of the organization.

5. Delegator: It's not possible to do all the work by one person. And this is understood by successful HR Managers. HR Managers delegate work to their team members so that they get learned and grow as a professional.

6. Innovation: Not every issue has a same or easy or ready solution. Successful HR Managers think out of the box and deliver the best solution to their employees and the organization.

7. Knowledge and expertise in Human Resources: HR Managers should possess foundation on the functions of human resources. And not only this, successful HR Managers have a zeal to update their knowledge on latest practices and trends in human resources. With their knowledge and expertise, they deal with the daily challenges that arise in the organization.

8. Leader: A leader is one who visualizes big picture, focus on people, progress and achievements, does the right thing and encouraging a rewarding culture. And this is what the successful HR Managers possess.

9. Metric Oriented: Successful HR Managers have a flair for metrics as these are useful in improvising various processes in the organization.

10. Motivator: Every employee has different goals and objectives to achieve. Successful HR Managers are committed to motivate. Successful HR Managers know and understand what motivates employees and strive to give it to them.

11. Presenter: Great presenters attract their audiences' attention, keep them engaged and deliver the message in a positive manner. Presentations skills are important quality of successful HR Managers as they handle several trainings and present the information to management.

12. Time Management And Self Discipline: Successful HR Managers are good at managing their time. They plan their day not just to complete their day-to-day activities but also cater time for sudden issues.

13. Trust Advisor: Employees will open to someone they trust and seek advice on various areas. This may not be limited to their career but also can be from their personal life. Successful HR Managers advice employees by creating an environment of trust. Successful HR Managers build trust through straight forward communications and interactions.

CONCLUSION

To enable hospitals to deliver good quality, safe healthcare, improving HR management is critical. There is a need for a cadre of competent HR managers who can fully assume these responsibilities and who can continuously improve the status of employees at their organizations. Recognizing HR challenges and the importance of effective HR strategies should become a priority to policy makers and top managers alike. Most organizations spend in excess of 60% of their budget on personnel costs. As such, HRM becomes a strategic financial, leadership and management issue. It is critical for organizations to achieve maximum benefits from this expenditure in ways that will support sustainable organizational performance. The overall performance of the organization is dependent on appropriate staffing levels, as well as the performance and productivity of each staff

member. Undoubtedly, some progress can be achieved through a piecemeal approach to HRM for example, strengthening standard functions such as the human resources information system, improving management training or developing an approach to performance appraisal, rewards and incentives and staff motivation. These are some of the serious issues that need to be confronted and addressed in the public health systems of most developing countries in order to reverse weaknesses in staff productivity and organizational performance.

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