

# Role of Human Resources Management in Healthcare Organizations: A Review

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## ABSTRACT

**Background:** This paper addresses the role of Human Resource Management in improving the staff performance thereby indirectly improving client satisfaction and delivering better healthcare service. The main aim of quality healthcare should be Safe, Patient Centered, Timely, Efficient & Equitable. The HRM should promote training, motivate, retain, implement new strategies, systematic planning for optimal utilization of the available sources. In the current scenario, inadequate training and lack of mastering the competencies are prevailing among wide range of Healthcare employees. Patient centered care has become a critical component in delivery of safe healthcare.

**Findings:** With the emerging blooming and transition in Healthcare Industry, HRD should adapt the latest methods to compete and sustain in the competitive healthcare sectors. The role of HRM also extends to monitor the rules & regulations governing the Health care system in relation to its employees. For delivering quality healthcare, identifying the root cause of errors, strategies to reduce chance of further errors, the gap analysis, incorporating appropriate available skills to close the gap, Diversifying the work among the available team, employing quality improvement methodologies to form a interdisciplinary team for better patient centered healthcare.

**Keywords-** HRM, Competency, Healthcare, Employees training, Management.

## INTRODUCTION

Human Resources Management (MRM) plays a significant role in healthcare delivery system and a systematic management is critical. The HRM not only implement an existing methodology, but focus on research, analysis and implementation of new strategic plans for training and evaluation of the competency of both new and existing staff. There are three basic principles involved in HRM. Along with health system inputs, physical, capital and consumables should also be looked into. HRM mainly focus on healthcare based on different kinds of

clinical and non-clinical staff who are directly involved in the management of Public and Individual health systems and intervention. The outcome of the performance and benefits that HRM could achieve are largely based on knowledge, skills and motivation of those individuals who forms the entire healthcare organization.<sup>[1]</sup>

In a Hospital/Clinical Laboratory based healthcare organization, it is important to assess the performance of all levels of staff at the beginning and the assessment should be done at periodical time intervals. The main task of the HRM

involves job analysis, man power requirement, organization of workforce, measurement as well as appraisal of performance, reward implementation, professional development and constant maintenance of workforce. HRM in every organization is essential for efficient delivery system, effective medical services in order to achieve patient satisfaction. Many studies done in the past on HRM stress the importance of HRM to achieve the goal of healthcare organization and emphasize the importance of training and development for all levels of staff at periodic intervals to improve the quality of healthcare services. Well motivated and highly trained medical professionals are critical for the success of national healthcare forum. If the existing practices associated with HRM are not adequate, alternate approaches for practicing HRM should be designed and put to use for better outcome. All senior level managers should chalk out new innovations and strategies to achieve better outcome in HRM. [2]

Studies have shown that in hospitals, HRM has achieved better performance among its staff if incentives and motivation to work, bonuses based on performance rated competency of individuals make a significance difference in the overall improvement of the organization. HRM should also focus on maintaining the mental health of its employees. Lacunae exist in the low and middle income countries for effective management of its employees to prevent poor mental health of its staff. This may lead to serious short fall in the performance of such staff unless effective strategies are followed at the primary healthcare setup itself. [3]

It has been well established that lacunae exists in low and middle income countries about HRM resources to maintain mental health and new strategies are required to update them. It may reach a serious proportion unless effective steps are taken to improve it. Better mental health could be delivered at primary health settings through Community based programs

employing lay workers, non- professional health care workers, caregiver's could play active role with proper supervision will be able to detect, diagnose, treat and individual monitoring could improve the status of all mentally affected people. Unless adequate funding by HRM is provided, a wide range of mentally ill staff will increase. An effective feasible approach, investment, innovative thinking and effective leadership are the need of the hour to improve mental health status of staff. [4]

For a better management of HRM, it is important to work out the size, composition and proper management and distribution of health care workforce, training based on the need of economic development, socio-demographic and cultural factors. In a case study done in a midsized private hospital in New York, it was observed that examining the shape of the organizations corporate culture plays a significant role for overall health delivery. Steps were taken to define values, behaviors and competence of the existing culture with a set of goals prefixed. Training was imparted to HRM professional to empower employees with training goals to make them more creative and innovative. Nursing staff were trained on team based approach to patient care and several nursing stations were setup in the hospital premises for easy access to patients need. Training was also given to employees to prepare themselves for marketing of internal resources as well as encouraging employment opportunities outside the organization. [5][6]

For developing countries, accessing good quality healthcare services will be an arduous job and it's equally prevalent in rural areas also. At times medical personnel and resources may not be available for much rural residents and for migrant workers, the situation will still be worse as they migrate from one country to another since such migrants are based on incentives offered by other countries. [7]

HRM plays a significant role in global healthcare systems. Specific healthcare reforms should be in place in

every HRM to improve the standard of overall healthcare of the patients. Three basic trends identified by HRM are efficiency, equity and quality objectives. There are many HRM initiatives available to increase the efficiency, one of which is outsourcing of services to convert fixed labor into various costs as a means of improving efficiency. The other goals that may be followed by HRM are contracting out, performance contracts, as well as internal contract. [8]

HRM is considered as the epicenter of healthcare Industry. India has become a Medical Tourism due to the emergence of many innovative healthcare organizations and the role of HRM is critical in achieving organizational goal and success. Human capital investment has been recognized as the organizations life blood and it needs to be developed continuously keeping in pace with its demand. The Human Capital Investment should be based on sound knowledgeable work force, skilled in the area of occupation with flexible altitude and HRM plays a crucial role in the aspect. Both quantity and quality should be an integral part. [9]

A study done in Mozambique, it has been found out that Performance Based Financing (PBF) has shown improvements in institutional arrangements accountability and overall improvement in income. Under this protocol, employee's motivation, reinforcement of Internal and external factors, self efficiency, goal settings, health competition and job satisfaction have all shown positive results. Such PBF program helped staff to get recognition from management committees and colleagues due to enhanced accountability and governance. Hence PBF could kick start the feedback loop, responsibility, achievement and recognition. It is recommended that policy makers should devise their own PBF protocol based on their company's need. [10]

It has been observed that healthcare workers may strike to work due to poor staff welfare, salary, leadership management and failure to implement agreements between

staff and management. Such strikes may disrupt service delivery, training program, increased morbidity and mortality of patients, loss of public confidence in the organization. This could be overcome by recognizing staff wage agreement, its implementation necessitating that only properly trained managers should be appointed as head of health care organizations. [11]

Behavioral changes of workers should be periodically monitored and Community Health Volunteers (CHV) role may be useful to achieve this. A study done in Kenya, under Ministry Of Health has revealed that, while the role of CHV's may be effective in rural healthcare systems, such CHV's may not be effective in urban based health delivery organization. The main role of those CHV's is to induce behavioral changes in healthcare workers. Lack of compensation for CHV's was noted as the demotivating factor along with challenges faced by social environment were observed as the main reason for less motivation to encourage behavior changes in local communities. Similar trends were also observed in urban environments. In order to achieve optimal performance by CHV's, it is important to allot more resources, better co-ordination and additional training in modern methods of inducing behavioral changes are required to implement health care programs. [12]

Global consensus are increasing about the education of healthcare professionals to keep pace with scientific, social and economic changes that are constantly transforming the healthcare environment. Best healthcare professional could be produced through cooperative, comparative and by health professional educational methods based on the nation's need. A national assessment bound to be setup to serve as resources centre for countries like India, Bangladesh, China, Thailand and Vietnam to plan HRM related future actions. [13]

A study undertaken in Sierra Leones's health outcome has predicted the

worst type of HRM system in the world. High rate of attrition was cited as the reason for the shortage of Healthcare Workers (HCW). All HCW's lacked accurate information about entitlements, policies and procedures laid down by HRM department. This has driven rural HCW's towards job dissatisfaction and attrition. A system oriented, low cost initiative by HRM may address these concerns among HCW's. The outcome of this study could be applied by other countries facing HCW's retention challenges and could be considered as a model for developing global HCW retention strategies. [14]

It has been widely accepted the role of line manager's in implementing HRM policies. A study done in two trust hospitals have observed that positioning line managers in HRM services decision making bodies have shown improvements in the changing process. With increasing workloads and high expectations, tensions may mount which may have been a role conflict inherent to their position. This is due to under resourced line managers who may find lack of time to manage their staff effectively. The changing nature of staff may be a problem to manage them effectively by HRM. [15]

A study has suggested the method of tailoring of HRM practices to suit local circumstances the impact of certain HRM policies, motivation, and Job satisfaction to assess the performance of staff working in healthcare organizations. HRM should encourage health researchers, managers and policy makers among their staff. HRM should also study the relationship between the range of HRM practices, policies, system to performance of staff. A study has found out failure in the outcome of resources even when the hospital has prepared quality plans, organizational structure based on scientific method. This was later attributed to lack of motivation of hospital Director and various categories of workers such as Doctors, Technicians and Administrators. [16][17]

HRM also could not be accounted for the failure of an organization in achieving desired results, but agents inside and outside also should be monitored. It is the responsibility of companies to choose its best model of HRM department based on corporate choice, its responsibilities in achieving the desired results. A large number of organizations have proved very useful in identifying a wide range of behavior in the distribution of HRM responsibilities. [18]

HRM services are more concerned with the development of both health workers in private and public health services. HRM professional's roles are to carryout fundamental activities in monitoring daily routine activities of healthcare workers as well as regulate and implement staff recruitment performance and appraisal. They should be competent to assess complex skills, motivations of their staff through evolving training and development workshops on staff engagement and performance. The crucial elements in promoting healthcare quality services and safety of patients entirely depend on an effective HRM management. Hence HRM should find qualified candidates for various positions in healthcare institutions and working closely with them, training them on their responsibilities to achieve the desired results. [19][20]

A study done in Nigeria for a health care system has recommended that the measure of the duties and responsibilities of HRM head will bear a direct relationship on the outcome of achieving the best results. The HRM managers should engage healthcare workers in the higher practical responsibilities in order to motivate them with confidence in their daily discharge of duties. The HRM manager should also address health workers annual increment in remuneration, and performance incentives. Further research is required to propose more strategies for effective HR services delivery in healthcare settings. [21]

Time and again it has been stressed that HRM is responsible for the alteration, selection, training, assessment and rewarding employees as well as overseeing organizational leadership, culture and ensuring compliance with employment and labor laws. HRM should be responsible to set overall strategies and goals, design work systems, produce goods and services, monitor quality, allocate financial resources and then market the product and services. The HRM could certainly make every employee as a resource for the organization. [22]

A study done in “Gaza” has found out that Institutions do not engage workers in HR planning process and lack clarity as well as professional experience in man power planning and top management support. The study recommended preparing plans, clear vision in professional and systematic approach to develop human resources, to create a separate department for personal affairs, involve employees as part of it as well as using external expertise for determining the HR needs in health Institutions. [23]

HRM could certainly impact healthcare services by recruiting staff based on certain guidelines training them to fit into the organizations culture and demand, regular competency evaluation, contributing to learning initiatives and focusing on retention. All these activities if given due importance will certainly bring out rewards to the organization as well as customer satisfaction. Regular monitoring of patients safety, their feed backs based on facilities and services provided will focus the organization to limit complaints in order to get more funds for expanding the facilities. Employee’s disputes must be solved at the earliest by a redressal committee. [24]

The new economic policy brought out by the Government of India in 1991 has enabled Health care organizations to make some sweeping changes in its functions and responsibilities. It has stressed the restrictions of employing superannuated staff, but such implications have affected

many HR organizations man power crunch and efficient functioning has become a major challenge. Some of the terms and conditions of employment have brought out some legal issues. Some conflict of interest may arise if some employees start working in other organizations also due to low salary. The stability of a healthcare organization is directly related to employing experienced staff on a long term basis with good terms and conditions of employment. The three lacunae is healthcare organizations function identified are compensation and career growth, disparity in the organization and human resources. Discontent was found among the contractual healthcare providers due to discriminating, disparities and anomalies in job leave provisions, delay in bill reimbursements and compensations associated with job. [25]

The major drawback identified in health care organizations is the failure to make room for issues of human resources. The lacunae observed are, a reactive, ad hoc attitude towards problems of human resources, dispersal of accountability in their HRM sphere, limited notion of personnel administration and short term perspectives. Such lacunae could be overcome by realizing the central role of work force in healthcare, studying the challenges posed by the healthcare systems, and the need to correct them with proactive policies and procedures. The move from traditional approach to global concept, more weight for integration, independent and systemic nature of different components, preparing and implementing good and acceptable policies, equal commitment to all professionals will certainly make a good HRM department in a Healthcare system. [26]

Insufficient workforce may hamper the development of healthcare system. Many researchers have reported shortages of man power are not shown by evidence. Newspapers, journals and newsletter have been writing about the shortage of workforce as the reason for the stagnation in the growth of healthcare industries. These

findings have been reported in the field of nursing. However, imbalances are of different types and their impact on the healthcare system varies. There is a general need to critically review imbalances in healthcare organizations. [27]

Some studies have focused to estimate the impact of economic factors on the demand for healthcare. Studies done in USA have attempted to estimate price and income elasticity's for medical services. Estimation of income and expenditure may change the impact on the demand for healthcare. [28]

A strong understanding between HRM department and the customers are very important for better services delivery and this will ensure success for the healthcare providers. Extensive research should be conducted to bring about new human resource policies and practices to benefit individuals and the world, although such practices are complex particularly when examined from a global perspective. [29]

Health of a nation depends much on the comprehensiveness of its health systems. It should be firmly established with harmonious interconnection among its building blocks. The factors that bring much success of such interconnection are governance, HR, Information system, medicine, laboratory services, pharmacies, financing and speed of service delivery. Out of these factors called building blocks, HRM is the central and cross cutting block to all other building blocks. HRM only unite and ignite fire in the entire operation of healthcare systems. [30]

A study has indicated that correlation between HRM and client satisfaction is generally rather low. HRM function does indeed affect job and client satisfaction. Employee satisfaction with their organization is directly related to client satisfaction. While job related training showed no relation with job satisfaction, but a clean relation with the client satisfaction. However, leadership style in HR had a significant job satisfaction, but showed only

limited client satisfaction. Regular performance review by HRM are important for both job and client satisfaction. While more regular schedule increase employee satisfaction, but decrease client satisfaction. [31]

Health care organizations face competition with market and organizations with long term strategies and objectives invest in HRM to challenge competition. Effective HRM will serve as the catalysts to induce better employee performance which may improve the image of the organization in the competitive world. Available literature cites three steps for reliable assessments for staff viz the analysis of required job positions, the results and the method of measuring achievements. Personnel performance should also be analyzed along with the advantage and purpose of evaluation. Hence, a well organized and structured system which meets the special conditions and goals of every business model play a significant role so that the performance of staff will improve and the organizations productive based work. [32]

Human resources and human capital are traits that man power brings to the work place such as knowledge, intelligence, enthusiasm and ability to learn under these situations, employees will be considered as strategic resource providing an organization with competitive advantage. Generally human resources are expensive in terms of management than other factors of production. HRM should ensure that employees work as per organizational goals, maximize their productivity and remain motivated. It is always a challenge to motivate employees to contribute as humans are complex and emotional creatures. [33]

After recruiting a staff for an organization, the HRM department should give clear job description, the organizations expectations, employee obligations and scope of their tasks in order to get a proper service contract. The first priority of HRM is to train the employees as it will sharpen their existing skills to develop a new role.

Whenever a dispute arises between the employees and the management, HRM should act as a consultant and mediator to offer solutions for the dispute. HRM also should build up relationship with other business sectors for the organizations survival and future growth. The public image of an organization will further improve if business meetings, seminars and various official gatherings are held periodically on behalf of the company. Further, maintaining favorable working conditions is vital part of HRM. The company should also provide a safe working environment which will foster productivity and job satisfaction of their employees. <sup>[34]</sup>

## CONCLUSION

The HRM plays an essential role in motivating the employee, improving the interpersonal skill, communicating skills, heeding, interacting and escalating the issues. Indeed they act as a bridge between the Management & Employee. Periodic assessment, reviews, addressing deficiencies, choosing criteria for employee appraisal/rewards are effective measures in helping out. The HRM needs to design and develop simplified standards. The challenges such as workforce shortages and lack of effective communication, lack of teamwork are to be overlooked by HRM for quality healthcare.

### Conflicts of Interest:

There is no conflict of interest of any of the authors.

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