

THE IMPACT OF HUMAN RESOURCES MANAGEMENT ON HEALTHCARE QUALITY

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ABSTRACT

The management of human resources in healthcare institution is essential to enable the delivery of efficient and effective medical services and to achieve patient satisfaction. This study aims to investigate the impact of practicing human resources management on the quality of healthcare service and achieving patients' satisfaction. The descriptive methodology was applied to demonstrate and analyze the previous literatures. The study shows that effective human resources management has a strong impact on healthcare quality and improving the performance of hospital's staff. 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.

Keywords: Human Resources Management (HRM), Job performance, Healthcare quality

INTRODUCTION

Most of literatures have showed the importance of human resources management on developing the quality of healthcare service (Yu, 2007; Michael, 2009; Patrick, 2011) and found that the incentives and providing motivation to work and follow the system of bonuses by competencies improve the performance of individuals working in hospitals (McKinnies, 2011) and can make a significant difference between health organization with good performance and health organization underperforms or below average (Edgar and Geare, 2005).

Human Resources Management (HRM) is a vital 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) 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 primary 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 development of workers, and maintenance of work force. The lack of studies that cover the topic of HRM on the quality of healthcare could affect the development strategy in the healthcare sector of any country, and without proper studies in this field may contribute to weakening the overall performance of hospitals. Therefore, this study attempt to analyze the main articles and literatures that discussed the role of HRM in the health sector and attempt to

find the common points of previous studies with regard to HRM. In addition to that this paper investigates the impact of HRM practicing on the quality of health service as referred by previous literatures.

HUMAN RESOURCE MANAGEMENT (HRM) DEFINITIONS

Human resource management (HRM) is the management of an organization's workforce, or human resources. It is responsible for the attraction, selection, training, assessment, and rewarding of employees, while also overseeing organizational leadership and culture and ensuring compliance with employment and labor laws (Ulrich, 1996; O'Brien, 2009; Patrick, 2011). Naturally, the definition of human resource management would be incomplete without further explaining what the terms of 'human resources' and 'management'. First and foremost, people in work organizations, endowed with a range of abilities, talents and attitudes, influence productivity, quality and profitability. People set overall strategies and goals, design work systems, produce goods and services, monitor quality, allocate financial resources, and market the products and services. Individuals, therefore, become 'human resources' by virtue of the roles they assume in the work organization. Employment roles are defined and described in a manner designed to maximize particular employees' contributions to achieving organizational objectives (Zaria, 2007)

A common definition of HRM remains an enigma and, in many respects, what HRM is purported to represent has not moved beyond some key principles laid down in the 1980s (Fombrun et al., 1984; Hendry and Pettigrew, 1986; Guest, 1987; Storey, 1989; Armstrong, 2000). Human Resources Management is defined as a system of activities and strategies that focus on successful management of employees and working staff inside the organization to achieve the goals of the organizations (Bayars and Rue, 2006).

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).

HUMAN RESOURCE MANAGEMENT (HRM) FUNCTIONS

Human Resource Management (HRM) includes all the functional area of management such as production management, financial management, and marketing management. That is every manager from top to bottom, working in any department has to perform the personnel functions. HRM functions (also called processes) are carried out by the HR managers to fulfill the goals and objectives of the organization. As illustrated in Figure-1, they perform two sets of functions, namely managerial functions and operative functions. The managerial functions are the basic functions performed by the HR managers in their capacity as managers or heads of their own departments. In fact, all managers, irrespective of their departments, perform these functions. The operative functions, on the other hand, are specialized activities performed exclusively by the HR managers, usually for all the departments. We shall first discuss the managerial functions.

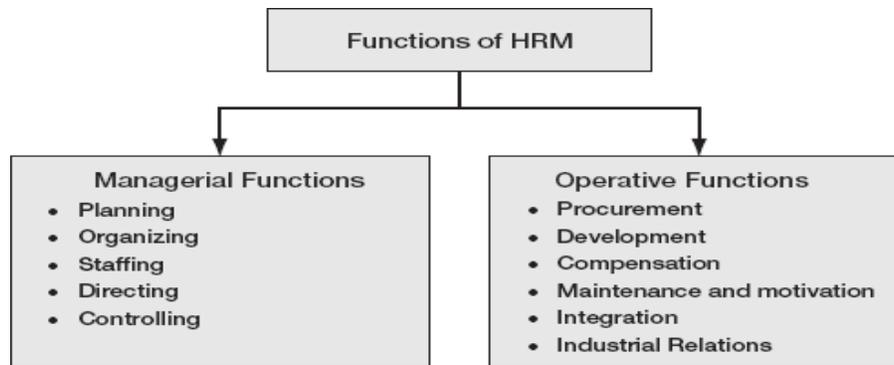


Figure 1. Functions of HRM

Mathis (2006) states that the organization should use human resource management input in the following organizational functions:

- i. Establishment of a legal and ethical management system
- ii. Job analysis and job design
- iii. Recruitment and selection
- iv. Healthcare career opportunities
- v. Distribution of employee benefits
- vi. Employee motivation
- vii. Negotiations with organized labor
- viii. Employee terminations
- ix. Determination of emerging and future trends in health care
- x. Strategic planning

While, McKinnies (2012) concluded that HRM comprises five broad functions, which are:

- i. **Resourcing:** Activities include HR planning, talent management, succession planning and ending the employment contract (including managing retirement and redundancy).
- ii. **Performance:** Managing individual and team performance and the contribution of workers to the achievement of organizational goals, for example, through goal-setting and appraisals.
- iii. **Reward system:** Designing and implementing reward systems covering individual and collective, financial and non-financial rewards, including pay structures, parks and pensions.
- iv. **Learning and Development:** Identifying individual, team and organizational development requirements and designing, implementing and evaluating training and development interventions.
- v. **Employment relations:** Managing employees, communication, handling union-management relations, managing employee welfare and handling employee grievance and discipline.

MATERIALS AND RESEARCH METHOD

This paper is based on the on-going academic research work and descriptive analysis to get an overview of the human resources management in healthcare sectors in current situation.

Therefore, the paper is conceptual in nature and analytical method is being used to give account the role and effectiveness of human resource management in general and the impact of HRM on the quality of healthcare service, also discussed the factors that affect the performance of individuals working in health organizations. Data and information are collected through the libraries, recognized journals both local and international. In other words, it is conceptual analysis in which taken into consideration majorly previous research between year 2002 and 2012 with a few exception due to their necessity.

LITERATURE REVIEW ANALYSIS: YEAR 2002 -2012

There are various studies that cover the topic of HRM and the role and effectiveness of human resource management in general and the impact of HRM on the quality of healthcare service, also discussed the factors that affect the performance of individuals working in health organizations. In addition to that many studies discussed the functions of HRM such as planning, employment, training, performance assessment, incentives and rewards for human resources. In the following section, we demonstrate the main literatures that discussed HRM in health sector:

THE ROLE AND EFFECTIVENESS OF HUMAN RESOURCE MANAGEMENT

Arabah Hajj (2012) has done research on "Evaluation of the efficiency of the use of human resources for health in public hospitals: An Empirical Study on a sample of hospitals". The study emphasized on the importance of previous indicators to measure the efficiency of the performance of human resources in hospitals, especially public hospitals, which are in urgent need to assess the efficiency of the performance human elements, and doing precise measure will help the hospital management to strive towards improving how to use these resources. The study recommended the following:

- a. The need to pursue the efficient use of human resources for health constantly, and even non-health (which is unrelated to health work, security guards, maintenance workers, etc.).
- b. Prepare a map showing the distribution of human resources for health for all individuals working in the hospital, based on the distribution of the family, and the specialty for all health professions and medical professionals, making it easier to refer to them when there is a defect or waste in the use of these resources

Adwan (2008) with his study entitled "The Reality of workforce planning in the non-governmental health sector in the provinces of Gaza", showed that institutions do not engage workers in the planning processes of the workforce sufficiently, and that the influential considerations of administrative structure regulatory in the process of workforce planning is characterized by lack of clarity, as well as the professional experience in manpower planning and top management support for the process of workforce planning was ineffective. The study recommended to prepare plans and clear vision in a professional and systematic approach to develop human resources in the hospital, with the need to involve employees in the planning of human resources to become part of their thinking and their work and to help them to practice work in a professional sound, and encourage them to commit to the hospital, the study also urge to create a separate department for personnel affairs in the health institutions and the use of external expertise in order to determine the needs of the health institution of human resources.

Mukhaimar and Taamenah (2004) with their studies entitled "Recent trends for the hospital management: concepts and applications", The researcher found that although the quality of

the plans and organizational structures and preparing them according to the scientific methods, the hospital management could fail in achieving the planned objectives as a result of its failure to perform routing function, which is designed to influence the behavior of the various categories of personnel in the hospital, and urge them to contribute to high level of performance towards the goals of their units in particular and to their hospital in general.

In addition to that the study concluded that the function of director of the hospital is not only to provide diagnostic and treatment services and associated procedures, but it also drew attention to the feelings of the various categories of workers in the hospital, including doctors, technicians and administrators, and therefore understand the conditions under which work will be done in the shade, it also must be given their morale and satisfaction for the work that they have in the same level when they provide diagnostic and therapeutic services.

THE IMPACT OF HRM ON THE QUALITY OF HEALTHCARE SERVICE

Salah Mahmoud Diab (2012) in his study entitled "Measuring the dimensions of the quality of medical services provided in the Jordanian government hospitals from the perspective of patients and staff". The study found an increase rate to quit job among doctors and nurses working in hospitals and the Ministry of Health, and the low degree of satisfaction and low desire among the staff to continue working in the hospital, and this giving impact to the low quality of health services provided to patients. The most important recommendations by the study with regard to the condition of individuals working in the hospital:

- a. The provision of material and moral incentives for employees working in government hospitals to generate their desire to continue to work and provide medical services appropriately.
- b. Training courses for workers in the hospitals in the area of the dimensions of medical service quality, and to deepen the quality concept between the staff and to achieve the quality dimensions at the best degree.

Al Kudhat Mohammed (2004), with his study entitled "Methods of selecting staff in King Abdullah in the light of technological developments," one of the main findings of this study is the existence of a positive relationship between the personality traits of those who have been recruited and technology employed in the hospital. In addition to that the contrast of views of the staff about the availability of specialist personal attributes required. It also revealed the existence of the impact of high technology in the analysis and design work and job classification and the nature of the work.

A study entitled "Determining staff requirements in hospitals", Ozcan and Hornby (2005). The study found that one of the reasons for poor performance of employees in government hospitals in Turkey, was mainly due to lack of interest by the managers of head departments in government hospitals to provide better conditions to hospital's staff and develop incentives system. The study recommended the adoption of incentives system and rewards for staff and nurses who perform good and choosing a group each month as a role model for individuals working in the hospital and pay them special bonuses to encourage other staff who have not been selected, and the study emphasized that adopting this system will improve the performance of all individuals working in the hospital dramatically.

Valverde and Ryan (2006) in their research entitled "Distributing HRM responsibilities: a classification of organizations". The aim of this study to show that HRM is not the sole responsibility of HR departments, but also of other agents inside and outside the organization, such as top and line managers, and external HRM service providers. The researcher examined how organizations distribute HRM activities and responsibilities among these agents, he also

attempts to classify organizations according to agent distribution and to explore whether a number of internal and external context characteristics affect this distribution. The finding of this study shows that the model of HR function adopted by an organization may not be contextually determined, but instead it is a matter of corporate choice. That is, companies actually choose what type or model of HRM they want and distribute the responsibilities of their various agents accordingly, rather than being determined by organizational contingencies. The researcher concluded that a large number of organizations have proved very useful in identifying a wide range of behaviors in the distribution of HR responsibilities.

Rosemary Lucas (2002) with her study entitled "Fragments of HRM in hospitality? Evidence from the 1998 workplace employee relations survey", The study carried out to verify the rehabilitation of the health sector in Britain from the perspective of human resource management and aimed to assess the dimensions of human resources related to the rehabilitation of the health system and the formation of a new health sector. The study found that employees are more likely to perceive their managers as anti-union, and to represent themselves in dealing with employment issues such as challenging management about their work, in disciplinary proceedings, and in seeking a pay increase. The study pointed out the importance of human resource management in the success or failure of the health sector and the health sector in most countries focuses on changes in building the organization, contain costs, customer choice. The study emphasizes on the importance employees' performance and how to attract professionals to the health sector.

The main findings of the study:

- a. The existence of a strict centralization in most hospitals, which limits the development of the work of individuals and nurses.
- b. The lack of a new approach to develop the work in the event of performance failure
- c. The failure to protect the rights of workers and individuals in hospitals during the transformation process in the health sector

THE FACTORS THAT AFFECT THE PERFORMANCE OF INDIVIDUALS WORKING IN HEALTH ORGANIZATIONS

Chan and Mak (2012) with their study entitled "High performance human resource practices and organizational performance the mediating role of occupational safety and health"; the aim of this study is to examine the relationship between high performance human resource practices (HPHRP) and organizational performance. The results showed that the mediating role of perceived safety climate in the relationship of HPHRP and organizational performance is confirmed. The finding suggests that organizational emphasis on safety issues contributes to establishing effective HPHRP and driving organizational performance. Organizations can benefit from effective HR practices by paying attention to employees' safety issues, which in turn result in better organizational performance.

A study entitled "The filling in the Sandwich: HRM and middle managers in the health sector", McConville and Holden (2003). The study showed the central role of line managers in implementing human resource management, is widely acknowledged and examined how far employees affect, or are affected by, such practices. Through a case study in two Trust hospitals, this study demonstrates that middle line managers, positioned between the service's decision-making bodies and its employees, are bearing many of the consequences of the change process. The effects of growing workloads, combined with altered expectations of their increasingly visible roles, have enhanced the tensions and role conflict inherent to their position. The study found that the perception of line e manager are under resourced and found

lack of time needed to manage their staff effectively. Moreover, staff is being more closely managed, changing the nature of personnel management, and line managers throughout the service have regained responsibility for many aspects of HRM. The main finding of this study is that as Trusts become established, and managers gain confidence in their staff management skills, longitudinal studies would be useful in building a picture of the development of both middle management roles and the functioning of HR specialists/advisors. Clearly, in units where the specialist HR/personnel is contracted out, the effects on managers' roles and the extent of changes in the nature and quality of HRM need to be explored.

A study entitled “HRM and the management of clinicians within the National Health Service (NHS)”, Marie et al., (2007). The study concluded that the management of human resources is of crucial importance in enabling the delivery of efficient and effective services. The aim of this study is to explore one issue relevant to Human Resource Management, that is, the management of hospital doctors in the National Health Service (NHS). The finding argues that HRM must play a pivotal role in the management of clinicians’ to ensure the effective and efficient delivery of health care reforms in Britain

The study concluded the following:

- a. A strong, well-motivated and highly trained medical profession is critical to the success of the national healthcare reform, in the delivery of both services to patients and government reforms.
- b. It requires the medical profession to acknowledge and accept the potential contribution of HRM to the management of doctors, a contribution that hitherto has generally been disregarded as purely administrative and often irrelevant.

A study entitled “HRM practice and employee attitudes: different measures—different results”, Edgar and Geare (2005). The study aimed to test the relationship between HRM practice and employee work-related attitudes and examine whether different approaches to measurement of HRM gives different results. The finding shows that if managers want to maximize employee’s attitudes, then implementing lots of practices is not sufficient. Practitioners need to be aware that the way they implement their HRM practices may be a more important determinant of employee attitudes than the number of practices they put in place. The study designed a model (Fig-2) that Relationship between mode of measuring HRM practice and employee work-related attitudes

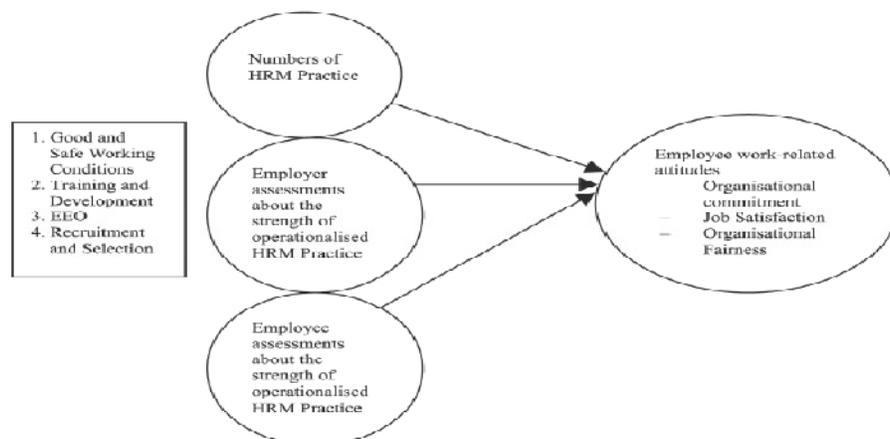


Figure 2. A multiple regression model shows Relationship between mode of measuring HRM practice and employee work-related attitudes

A study entitled “Human resource management and performance in healthcare organizations”, Harris et al. (2007). The purpose of this study is to compare the evidence from a range of reviews concerned with the links between human resource management (HRM) and performance. The aim of the paper is to review this diverse literature, and to derive human resource (HR) implications for health care researchers, policy makers and managers. The study finds that relationships have been found between a range of HRM practices, policies systems and performance. The study concluded that Trusts may allow for increasing tailoring of HR practices to suit local circumstances, and the potential impact of any HR practice or set of practices on performance may be mediated by the effect of the implementation process on mental models of individuals and thus on HR outcomes such as motivation, commitment and satisfaction.

A study entitled “Managing professionals: exploring the role of the hospital HR function”, McDermott and Keating (2011). The objective of this study is to examine the role of the HR function in the management of professional and non-professional staff in the acute hospital sector. The study finds that in two of the three cases the human resource (HR) function predominantly provides services to non-professional workforce groups. However, the effective and strategic management of professionals is undertaken in the third case, without a professional HR function. The study suggests that HRM as “the management of people and work” was being practiced, if not by the HR function. As a result, a focus on formal HRM structures in hospital organizations is insufficient to capture the manner in which people and particularly strategically valuable workforce groups and work are managed.

A study entitled "Effects of HRM on client satisfaction in nursing and care for the elderly", Ott and Dijk (2005). *This study showed that* HRM is supposed to increase job satisfaction. But does it also increase client satisfaction? The study sets out to discuss this issue. The finding from this research indicates that HRM does affect job and client satisfaction, and showed that the correlations between HRM and client satisfaction were generally rather low. Employees' satisfaction with their organization is a better predictor of client satisfaction than job satisfaction. Job-related training showed no relation with job satisfaction, but a clear relation with client satisfaction, while leadership style of their manager had a significant relation with job satisfaction, and a more limited one with client satisfaction. The study recommend a regular performance reviews for job satisfaction and client satisfaction, emphasizing that employee and client satisfaction can also conflict: more regular schedules increase employee satisfaction, but decrease client satisfaction.

The researcher distinguishes seven HRM activities:

- a. A personal development plan.
- b. Additional job-related training during the past two years.
- c. Job performance review during the past two years.
- d. Regular departmental meetings (at least monthly).
- e. A protocol in case of a labour-shortage.
- f. Predictable work schedules.
- g. A leadership style of the manager which is transparent and supportive.

The conclusion indicates that employee satisfaction seems mostly affected by the management style of the unit manager, and to a lesser degree by performance reviews and predictable work schedules, while client satisfaction correlates primarily with job related training and somewhat with performance reviews and a supportive leadership style

RECOMMENDATIONS

The Reviewing of previous literatures that cover the field of HRM in hospitals and health organizations shows the need for further improvement in any health organization. However, this study sets the following recommendations:

1. Setting a strategy for human resources management
2. The development of personnel management process
3. Engage the staff of the hospital in the larger functional tasks in order to give them more confidence in the health institution in which they work
4. Continuous development and training of staff performance
5. The need to measure the performance of the managers of human resources department in the hospital before starting performance development process, and these measures include (leadership ability, self-qualification, risk management, strategic thinking, decision-making, innovation, management experience, and communications)

CONCLUSION

The management of human resources is essential to enable the delivery of efficient and effective medical services and to achieve patient satisfaction, the study shows that human resources management has a strong impact on healthcare quality, and most of literatures show the importance of human resources management to achieve the goals of health organizations, and emphasize to develop the performance of hospital staff and nurses through periodic training in order to improve the quality of healthcare service, also a strong, well-motivated and highly trained medical profession is critical to the success of the national healthcare reform. The practices of human resource management are very important in health sector and modern hospitals need should have alternative approaches for practicing HRM successfully. The senior management in hospitals should have a clear strategic direction and clear objectives to improve the management of employees and staff in the hospital.

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