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The Role of HR in Hospital Administration and Employee Satisfaction

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What is on the minds of today's hospital leaders? A recent survey conducted by Health Leaders Media lists the top priorities and concerns of hospital leaders across the globe: **patient experience and satisfaction was ranked first, followed by clinical quality and safety, and then cost reduction / process improvement**.

For most hospitals, salaries and benefits are the biggest budget items. In fact, according to the American Hospital Association, hospitals, on average, spend 54 percent of their budget on employee salaries and budgets. If a hospital wants to overcome its financial challenges, it's clear that human resources need to be a part of the solution.

A good place to start is for healthcare HR professionals to begin championing talent management best practices that foster a culture of employee engagement, performance improvement and accountability.

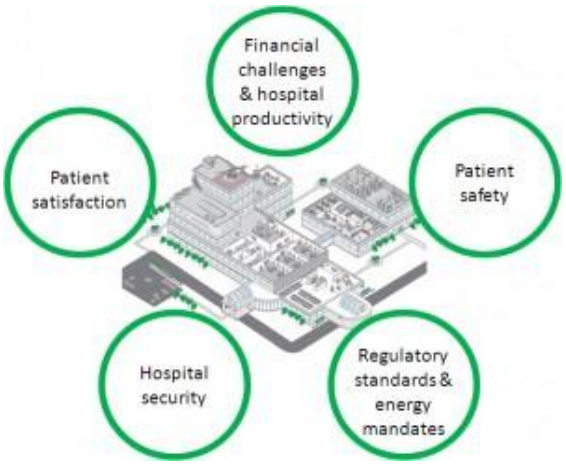
If a hospital wants to overcome its financial challenges, HR needs to be a part of the solution healthcare.

An early look at the 2012 HCM Healthcare survey results indicates that the Top Healthcare HR Pressures and Challenges are centered around Healthcare Reform. In particular, the top four challenges healthcare organizations faces are:

- Intense price competition and payment reform
- Recruitment and retention of the correct number of qualified staff to meet mandatory staffing ratios
- Need to deliver high quality services in compliance with Medicare reimbursement model
- Too many competing initiatives brought on by healthcare reform

As healthcare moves to an accountable care model, with reimbursements tied to patients' satisfaction and safety, with even greater pressure on costs containment, healthcare providers are responding to the above mentioned pressures by focusing on talent management initiatives to get their workforce aligned with these challenging changes. In addition to focusing on talent management, organizations are also

1. Identifying gaps between current workforce and anticipated future healthcare requirements
2. Breaking down department silos to promote visibility into talent across the organization
3. Creating more formal Succession planning/leadership bench strength programs



Healthcare is changing, and so are the demands on healthcare leaders. Healthcare providers cannot reduce costs, recruit and retain qualified healthcare staff and improve patient satisfaction and patient safety without proactive initiatives led by HR. HR departments are playing an increasingly significant role in developing and implementing initiatives that positively impact hospitals' most strategic objectives.

Healthcare organizations are continually battling conflicting priorities. Our customers tell us they need to focus on delivering high quality patient care, preventing infections, maintaining hospital security, and ensuring patient safety – all with extremely stretched resources.

Through these discussions, we've pinpointed the top five issues that healthcare organizations around the world are facing today:

1) Financial challenges and hospital productivity: Hospitals are the second most energy-intensive buildings after restaurants, and globally, healthcare costs are on the rise. These financial challenges— in addition to an aging world population and increasing energy costs—are putting pressure on healthcare organizations to do more with less without compromising quality of care.

2) Maintaining patient safety: Every year an estimated 20,000 people in the U.S. and 5,000 in the U.K. die from an infection they received while in the hospital. Reducing the risk of infection, as well as other potential risks, such as power failures, is crucial in ensuring a high quality of care and maintaining the organization's reputation.

3) Regulatory standards and emerging energy mandates: Noncompliance with regulatory standards can lead to a disruption in operations, poor quality of care, safety issues, and substantial fines. At the same time, as energy demand rises, many countries are requiring healthcare facilities to reduce carbon output and meet mandates for energy reductions.

4) Hospital security: Healthcare facilities are often open 24/7, and those visiting are often under a great deal of stress when life and health are at stake. Violence, infant abductions, patient wanderings, and theft of drugs and hospital assets are major concerns.

5) Patient satisfaction: The well-being of patients is a key to reducing length of stay and preventing readmissions. According to the American Society for Healthcare Engineering (ASHE), in green hospitals, patients are discharged an average of 2.5 days earlier compared to traditional hospitals. Additionally, patient satisfaction can also affect a hospital's revenue. If the systems are operating poorly or not at all, quality metrics such as Hospital Consumer Assessment of Healthcare Providers and Systems can be adversely affected.

So, how can healthcare organizations deal with these challenges while controlling costs, reducing waste and implementing a sustainability strategy? By utilizing an open and integrated solution that provides the right information to the right user at the right time—such as Schneider Electric's StruxureWare™ for Healthcare—healthcare organizations can make more informed decisions about their facilities to meet these challenges head on.

For instance, for a hospital looking to combat rising energy costs and consumption, an intelligent infrastructure can be used as the central tool for monitoring and controlling facility systems. With the installation of meters and sensors, energy information is collected from designated areas of the hospital. Together, intelligent control, management, and analytics improve infrastructure efficiency and allow maintenance to be scheduled to reduce system downtime. In addition, energy procurement and sustainability planning software can help set the facility's energy strategy and add money back to the operating budget.

Another example: let's say someone tries to remove an infant from a hospital ward. In a hospital that utilizes an integrated security system with real-time location system tracking, specific sequences can be implemented to protect against infant abduction. Staff would receive alerts so they can respond according to their standard operating procedures. Alarms would sound; access control systems would lock designated perimeters and internal doors to push the abductor to a staircase, where he or she can be apprehended. Video cameras can scan the area and send live camera feeds to security staff, as well as provide identification for police.

While these are just a few examples of the benefits that fully integrated solutions can provide to address the top challenges, hospitals must also be ready to respond to both expected and unexpected changes, such as possible increased regulatory demands, environmental mandates, and future healthcare innovations.

The link between best practices in talent management, and employee engagement and productivity

Recent research by Dr. Kevin Groves at Pepperdine University demonstrates that effective talent management in healthcare has been proven to increase in patient satisfaction, lower nursing turnover and increase employee productivity.

With research underscoring the importance of talent management in achieving these positive outcomes, it only makes sense to look at a few best practices.

1. Organization-centric goal alignment *Ensure employees have clear standards for performance, as well as goals and objectives that are linked to organizational goals.*

One of the most effective ways for healthcare HR and healthcare leaders to communicate a change in priorities is through organizational goals. Managers should be clear about goals and expectations, and help employees see how their work matters to the organization. This organization-centric approach to goal management is especially important in times of change.

2. Employee development and career progression: *Give employees learning, development and career progression opportunities, including access to the resources, training, and information they need to succeed.*

One of the top three reasons people leave organizations is the lack of challenging and meaningful development opportunities — making learning programs particularly important in terms of employee retention. When organizations can tightly integrate learning with performance, it becomes much more relevant to employees because they see how their learning activities support their individual performance and development needs and positively impact patients and clients.

And with each new nurse costing conservatively $31,486 per nurse, including recruitment, training and lost productivity, reducing turnover can have a significant impact on a hospital's bottom line.

3. Core competencies: *Identify the core competencies or performance standards that support patient care, and cultivate them in all your employees.*

Within the healthcare industry, being able to measure competencies is critical in determining the ability of healthcare staff and professionals to provide quality services and the highest levels of care to patients. Unlike goals or objectives that describe what you want staff members to do, competencies take into account *behaviour* or *how* you want tasks to be accomplished.

Competencies should be clearly defined, and used consistently throughout the employee lifecycle. For instance, organizations should include them in job requisitions to help ensure that they hire the right people for the right job.

Job descriptions should match the job requisitions, so employees have consistency in what they were hired for, and what is expected of them. Finally, when it comes time to review performance, these same competencies should be assessed, ensuring a consistency from hire to review.

HRM and outcomes in the health care sector

In the last two decades, several studies on HRM and performance have been conducted in the health care sector [19,20]. In their review of health care studies, Harris *et al*. [4] concluded that HR practices are often related to patient oriented performance outcomes. They also noted the importance of conducting additional research on the 'black box' issue. Furthermore, many health care studies relate HRM to organizational and HR related outcomes [21-25]. However, studies focusing on financial outcomes - which have been extensively addressed in the private sector HRM literature - seem rather scarce.

This study focuses on the Dutch care sector (home care, nursing care and care homes). Its contribution concerns two elements discussed in the literature. First, we apply a multidimensional performance

perspective, and we will therefore consider three outcome dimensions: financial, organizational and HR. This is innovative because although many health care studies have analyzed care - an organizational outcome - and HR outcomes, financial indicators have received much less attention. Moreover, we are unaware of health care sector studies that have examined the relationship between HRM and these three outcome dimensions simultaneously. The second contribution concerns the 'black box' issue. Many studies use employee attitudes as an outcome variable. However, an important interpretation of the 'black box' implies that employee attitudes will mediate the link between HRM and performance [13]. Using job satisfaction as indicator of employee attitudes, we will test whether this holds for all three outcome measures considered in this article. This leads to the following three hypotheses:

H1: job satisfaction mediates the relationship between HR practices and financial outcomes in health care organizations.

H2: job satisfaction mediates the relationship between HR practices and organizational outcomes health care organizations.

H3: job satisfaction mediates the relationship between HR practices and HR outcomes in health care organizations.

Challenges facing healthcare managers: what past research reveals

To develop a broad perspective on the challenges faced by middle and front line healthcare managers, we examined research from the UK and other countries. We found that both groups face numerous challenges in their roles (see table 1). Previous research shows that front line managers face challenges around self identity, particularly for those in 'hybrid' clinical-managerial roles, and around the negative perception of management in general. They also have problems with human resources, lack of organizational support, and with too many systems and processes that are inadequate, outdated, complex, or simply inconsistent with their responsibilities. Other challenges included lack of preparation for a managerial role, balancing priorities, work pressures, lack of recognition, role conflict, and the absence of power, influence and authority. Previous research also showed that middle managers faced challenges around self-identity, negative perceptions of the management role and human resources issues. They also experienced a lack of involvement in decision making and felt challenged by hierarchical organizational structures which inhibited their authority over particular groups. Other challenges included role ambiguity and conflict, work pressures, job insecurity, work relationships, organizational communication, and conflicting government directives such as having cleaner hospitals, but being under pressure to save money by hiring fewer cleaners.

1. Many of the challenges facing managers stem from government policies which are at times conflicting, unachievable, and create paperwork and problems instead of solving problems. Until these policies change, managers will continue to face these challenges.
2. Managers may be feeling pressured due to lack of capability. The NHS has numerous leadership and management competency frameworks, but perhaps those competencies are not appropriate to the changing work environment of managers.
3. Role pressures Time Workload Job insecurity Worklife balance Self identity Lack of autonomy Lack of recognition and rewards Lack of training Organizational culture Poor systems and processes (HR, IT) Pressure to meet targets Financial pressures Inter-professional working Managing external relationships (e.g. with PCT) Managing peers
4. Individual managers can explore whether some of the challenges they face are of their own making. Are they managing their time wisely? Can they improve their work life balance? Do they allow personal feelings to interfere when managing colleagues? Are good peer support mechanisms - formal and informal - in place?

A recent study was conducted in three hospitals in Ghaziabad region and the hospitals were chosen randomly.

Objects of the Study

The main objective of this study were

1. To assess the Human Resource Management processes and practices in to large hospitals.

2. To bring out the specific problems in health care HR in large hospitals

3. To prepare a detail proposal on the processes and the practices which can be undertaken in large hospitals?

In this assessment was carried out on the basis of the primary and secondary information based on the personal visits of one of the authors to these large medical facilities which cater to thousands of IPD (indoor patients department) and OPD (Outpatient Department)

Processes and Practices

On the basis of this preliminary study the following processes and practices are being adopted in these large hospitals

The main function of the HR Department is recruitment, training, manpower management and general administration. This includes:-

Recruitment function

The recruitment function includes collection and sorting of the resumes as per the advertisement given in the newspaper or the website ; Conducting of the interview session which is conducted by HR manager and the Nursing Superintendent for the recruitment of the nursing staff like staff nurses and ward attendants; Conducting of the interview session for the new medical staff is conducted by the Medical Superintendent and the Chairman of the Institute along with the support of the HR department. The appointment letter is issued by the HR department on the basis of the interview and mentioning the salary which the candidate will receive after the signature from the account section of the organization. Thereafter the appointee joins and is placed in the hospital.

Training function

Training facilities are excellent in two hospitals but in one hospital it is average. The training facilities include the following topics Health hygiene, Safety policy, biomedical disposal, Hand washing techniques, various codes for the emergencies, Hospital safety Policy, Fire safety management/ Disaster Management, Patients Safety, Ward Cleanliness, Biometric machine for attendance and public dealing including politeness and courtesy. Training is imparted to fresh appointees as well as regular staff.

HR management function

The HR management functions in these hospitals include maintaining the service records of all employees including leave and other benefits; processing various matters related to the staff; travel and other matters.

General administration function

General administration function includes protocol, attendance, security, safety, biomedical wastes; labour government regulations concerned with labour, ESI and other matters.

Conclusions and Recommendations

Based on this assessment of the three large hospitals in Ghaziabad region, the following conclusions and recommendations can be drawn:

a) HR functions are very important in all health care facilities.

b) The HR processes and procedures are fairly good in the hospitals which have come up recently while that of the older health care facility is also good and is in the process of being strengthened.

c) HR policy is important for all health care facilities as it is the guiding document for Human Resource Management.

d) HR department needs strengthening and constant updating in line with those of the corporate sector.

Based on these conclusions and recommendations, the HR processes and practices which may be adopted in larger health care facilities in Ghaziabad region are:

1) The organization structure of the HR department should comprise of the Director as head, HR manager, Assistant Managers and a number of HR executives looking after recruitment; training; safety, security, general administration, labour, vigilance , government regulations and legal issues
2) Regular trainings at the inductions and in service levels need to carried out as frequently as possible both within the country and abroad.
3) The HR department needs to be an integral part of the top management of these health care facilities so that HRM inputs and support for attaining the mission and vision of the organization are available at the highest levels.
4) Round the clock HR support to the functioning of the hospitals is required because of the nature of the work of the hospitals.
5) Human Resource Management modules may be introduced in brief in the training programmes for the medical and Para -medical staff.
6) Each hospital should have a HR policy drawn as per international and national practices and standards. This should include human resources planning, recruitment, selection, placement, training, development, performance appraisal, compensation administration, incentives, employee benefits, social security, industrial relations, employee grievances, collective bargaining, personnel records and accounting and many other fields directly or indirectly related to management of human resources . Before adoption, this policy needs to be discussed with stakeholders including staff, patients and others. This policy can then become the basic document for HR practices and processes in the organization, though it would need to be revised from time to time.
7) The health care organizations also need to have a strong grievance redressal mechanism both for the staff and users of the facilities. This should be inbuilt in the HR policy.

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