

# A study on organizational factors for successful execution of human resource management (HRM) practices in private hospitals

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## Abstract

The existing thoughts in Human Resources Management put emphasis on knowledge sharing and team creation instead of individuals, informal learning, individual expertise, flexibility in use of skills, severe limits between healthcare organization and professionals. The organizational climate, efficiency, successfulness and innovativeness are the organizational factors for successful execution of Human Resource Management (HRM) practices in private hospital. The results also show that there is significant difference between socio economic profile of employees of paramedics and organizational factors for successful execution of Human Resource Management (HRM) practices in private hospital. The private hospitals should give conducive working environment to their employees of paramedics through applying advanced technologies, high organizational values, excellent organizational culture, rewards and incentives. In addition, they should promote sharing of knowledge and skills, inter personal relations and leadership among employees of paramedics for successful execution of human resource management practices.

**Keywords:** HRM practices, organizational factors, private hospital.

## 1. Introduction

Healthcare is one of the largest service sectors in India and it is distinguished by pattern of ownership, type of medicine and types of delivery composition. The healthcare sector in India is growing very fast with the compound annual growth rate of 22.87 per cent during the periods of 2015-2020 to attain US \$ 280 billion. The healthcare services are provided by Government and private hospitals, but private hospitals accounts for three-fourth of expenditure on healthcare in India. According to Ministry of Health and Family Welfare, Government of India, there are 19817 Government hospitals are in India out of this, 15398 hospitals are operating in rural areas with 196182 beds and 4419 hospitals are operating in urban areas with 432526 beds and there are 271 Government hospitals in Tamil Nadu in the year 2015-16.

Within different healthcare systems across the world, an enhanced attention is giving on Human Resources Management (HRM). Specially, human beings are the main principles in healthcare system inputs, with the remaining inputs are consumable inputs and capital. Human capital relate to hospitals are the various types of non clinical and clinical employees accountable for health interference of both individual and general public. The performance of healthcare organization is mainly relying on skills, knowledge and enthusiasm of employees for delivery of healthcare services (Kabene et al, 2006).

Nevertheless, the existing thoughts in Human Resources Management put emphasis on knowledge sharing and team creation instead of individuals, informal learning, individual expertise, flexibility in use of skills, severe limits between

healthcare organization and professionals. The main issue in caring of health is the responsibility, successfulness of organization and quality of services eventually depending on how human resources are expanded, administered and distributed at different levels in the organization and how far both employees and managers be successful in distributing information and enhancing performance in an organization (McHugh et al, 2007).

## 2. Statement of problem

Hospitals are the main component in healthcare schemes. Healthcare is needed for all individuals. The healthcare is provided by doctors, nurses and employees of paramedics. In addition, hospitals play an important task in promotion of health, social human resources, environmental apprehension and patient specific health service. The effectiveness of healthcare services is largely depending upon the human resources of hospitals and hospitals implement various human resource management practices in order to improve the healthcare services and retain skilled employees. The successful implementation of human resource management practices is mainly affected by involvement of top management and employees, innovative practices, personal factors of employees and organizational factors. Among them, the organizational factors have prime importance in execution of human resource management practices. Therefore, the present research is made to study the organizational factors for the successful execution of Human Resource Management (HRM) practices in the private hospitals in Chennai city.

### 3. Objectives of the study

1. To examine the socio-economic profile of the employees of paramedics in private hospitals
2. To study the organizational factors for the successful execution of Human Resource Management (HRM) practices in the private hospitals.

### 4. Review of literature

Suri (1991)<sup>1</sup> stated that an efficient use of money, materials, machines and human beings were important factors for attaining an increased level of productivity in health care sector. Human resources had no limitation in comparisons with other resources and their quality could be increased through training. Kramar (1992)<sup>2</sup> concluded that lack of steady support of top management could lead to strategies being at the best executed partially. Therefore, the organization should inform the objectives, aims and values of organization among its stakeholders effectively. Pettigrew and Whipp (1993)<sup>3</sup> pointed out that the victorious execution of human resource strategy needed the complement participation of the human resource director at both the formation and execution stages. This was essential to make sure that the strategic proposals under discussion were assessed in terms of their inferences on human resources. Scott (1995)<sup>4</sup> highlighted that the organizations tended to take on modern practices because of institutional factors namely regulatory and normative forces. Within these forces, the capability to accept the innovative practices was decided by the human resource management practices. Smith and Kofron (1996)<sup>5</sup> believed that the managers at top level played an important role in the execution not just the formation of human resource strategy. The behaviors of efficient leadership at senior level would be straightly associated with the successful execution of strategy. Haines et al (1997)<sup>6</sup> found that the Human Resource Information Systems were the most important antecedents of success of any organization. The availability of internal support for the users also represented a critical condition. The results supported a model for HRIS success and provided a base for planning, designing and implementing the HR information systems successfully. Boxall and Purcell (2000)<sup>7</sup> concluded that the manner in which line managers used discretion in the execution of human resource policies and practices, altogether with their common behaviour towards employees played a major role in the connection between the strategy, policy and performance. Rondeau and Wagar (2001)<sup>8</sup> suggested that the nursing homes that had executed more progressive human resource management practices and which showed climate in workplace as a strongly appreciated involvement of employees, empowerment and responsibility tended to be recognized normally to perform better on valued organizational output. Robbins et al (2002)<sup>9</sup> expected a manager to examine, attempt and to understand the situations before facing them and there would be no a set of principles or rules appropriate to all situations. Swart et al (2003)<sup>10</sup> opined that HR practices improved the relationships according to their boundaries and the nature of the relational exchange. They suggested that the HR practices should improve the interactions between the individuals and groups within the organization. Brans and Hondeghem (2005)<sup>11</sup> found that competency based human resource management practices were more like a control system to make sure the standards and consistency in the system and hence, the outcomes anticipated and targeted by the organizations could be completely attained. Buchan (2006)<sup>12</sup> said that the problem for policy analysts and researchers in the healthcare industry was to link the exiting knowledge gap between the common evidence base on human resource management inputs and performance and the health-specific evidence base focusing on sector and specific output measures. Mukherjee (2007)<sup>13</sup> concluded that the role of training and development in human resource had gained prime importance

from the time of conception of any organization. With more and more outsourcing of jobs, the role of training and development was getting extended. Adano (2008)<sup>14</sup> explained the integrity and quality of the public health sector could be developed through professional human resource management, reformulation and combining the existing portions human resource functions and bringing all the portions together under the single authority and persuade of human resource units and departments with enlarged scope. Ismail and Long (2009)<sup>15</sup> considered that HRM was a innate development of personnel management practices in the features of varying business and economic environment and top management was responsible for formulation and successful execution of HR policies in order to achieve the higher performance and satisfying their employees. Azmi(2010)<sup>16</sup> found that recruitment and selection, training and development, career development, performance management and reward were the major HR practiced norms followed in the Malaysian public sector organizations. Chow et al (2011)<sup>17</sup> concluded that most of hospitals had very much improved their administrative methods, improved the monitoring of resource use and launched performance measurement and incentive systems for improving productivity. Bhatnagar and Srivastava (2012)<sup>18</sup> explained that the managers who grasped the significance of factors that influencing the well-being of employees were likely to improve performance from the different groups of hospital employees. It was of the paramount importance to seek out the views of employees and incorporated them in problem-solving and decision-making process. Tomar and Dhiman (2013)<sup>19</sup> found that the human practices adopted in the hospital were also in line with the vision and goal of organization. Thus, in the majority cases, they were not able to assist the front-line employee and as a end result, delivery of quality of service had been affected. Cox (2014)<sup>20</sup> found that MNCs were more likely to adopt hybrid strategy that suited well with each and every local conditions of subsidiary. Concerning their international human resource management approach, a company that had subsidiaries in different countries might select for an adaptive strategy for one or few of them and an integrative or an extortive one for others. Tessema et al (2015)<sup>21</sup> contended that instead of human resource development to have a positive influence on the confidence and performance of the trained employees, it could have a negative influence, if it was not added with other motivational measures namely supervision, proper placement, pay and benefits, opportunities to practice skills and knowledge and promotion. From the above literature survey, the research gap is identified and it is organizational factors for the successful execution of Human Resource Management (HRM) practices in the private hospitals.

### 5. Methodology and tools used for the study

This study is carried out in Chennai city. The data are gathered from 900 employees of paramedics from private hospitals through questionnaire by using random sampling method. In a random sampling method, every member in the large population has an equal chance of being chosen and it eliminates systematic bias. The percentage analysis is used to understand socio-economic profile of employees of paramedics. An exploratory factor analysis is done to make out the organizational factors for successful execution of Human Resource Management (HRM) practices in private hospital. The ANOVA (Analysis of Variance) test is used to examine the difference between socio economic profile of employees of paramedics and organizational factors for successful execution of Human Resource Management (HRM) practices in private hospital.

## 6. Findings

### Socio-Economic profile of the employees of paramedics in private hospitals

The findings indicate that 55.89 per cent of employees are females and the remaining of 44.11 per cent of employees are males. It is obvious that 27.11 per cent of employees are in the age group of 31 – 35 years, 24.33 per cent of employees are in the age group of 26 – 30 years, 20.67 per cent of employees are in the age group of 36 – 40 years, 18.89 per cent of employees are in the age group of 21 – 25 years, 6.67 per cent of employees are in the age group of 41 – 45 years and 2.33 per cent of employees are in the age group of above 45 years.

The findings show that 29.56 per cent of employees are graduates, 26.44 per cent of employees have higher secondary education, 22.33 per cent of employees are diploma holders, 12.56 per cent of employees have secondary education and 9.11 per cent of employees are post graduates. It is clear that 46.78 per cent of employees are staff nurses, 28.89 per cent of employees are technicians, 11.44 per cent of employees are attendants, 7.00 per cent of employees are store keepers and 5.89 per cent of employees are heads / supervisors.

The findings reveal that 33.00 per cent of employees are in the monthly income group of Rs.10, 001 – Rs.15, 000, 30.67 per cent of employees are in the monthly income group of Rs.15, 001 –

Rs.20, 000, 18.78 per cent of employees are in the monthly income group of Rs.5, 001 – Rs.10, 000 and 17.55 per cent of employees are in the monthly income group of more than Rs.20, 000. It is apparent that 33.11 per cent of employees have the work experience of 4 – 6 years, 20.89 per cent of employees have the work experience of 7 – 9 years, 18.45 per cent of employees have the work experience of 10 – 12 years, 14.33 per cent of employees have the work experience of 1- 3 years and 13.22 per cent of employees have the work experience of above 12 years.

### Organizational factors for successful execution of human resource management (HRM) practices in private hospital

To make out the organizational factors for successful execution of Human Resource Management (HRM) practices in private hospital, an exploratory factor analysis is done and the results are shown in Table 1. The Kaiser-Meyer-Olkin (KMO test) measure of sampling adequacy (KMO=0.824) and Bartlett's test of Sphericity (chi-square value= 0.0127; significance=0.000) exhibits that the method of factor analysis is appropriate. Four factors which are identified through exploratory factor analysis accounting for 73.98 per cent of variations on 15 variables. Each of the four factors contributes to 27.14 per cent, 20.92 per cent, 16.55 per cent and 9.37 per cent respectively.

**Table 1:** Organizational Factors for Successful Execution of Human Resource Management (HRM) Practices in Private Hospital

Factor	Item	Rotated Factor Loadings	Eigen Value	% of Variation	Factor Name
I	Organizational culture	0.69	2.69	27.14	Organizational Climate
	Organizational values	0.72			
	Motivation and Morale	0.68			
	Interaction with employees	0.70			
	Technological advancements	0.76			
II	Proactive HR practices	0.71	1.95	20.92	Efficiency
	Transparency in HR practices	0.69			
	Expertise of HR professionals	0.72			
	Feed back and Evaluation	0.66			
III	Job security	0.70	1.21	16.55	Successfulness
	Successful communication	0.73			
	Successful leadership	0.69			
IV	Creativity and innovativeness	0.70	1.03	9.37	Innovativeness
	Skills sharing	0.72			
	Competitiveness	0.69			
	Cumulative % of Variation			73.98	
	Cronbach's Alpha				0.84

Source: Primary Data

Extraction Method: Principal Component Analysis

Rotation converges in 9 iterations.

Factor I: It consists of organizational culture, organizational values, motivation and morale, interaction with employees and technological advancements. Hence, this factor is named as "Organizational Climate".

Factor-II: It deals with proactive HR practices, transparency in HR practices, expertise of HR professionals and feed back and evaluation. So this factor is named as "Efficiency".

Factor-III: It comprises of job security, successful communication and successful leadership. Thus, this factor is named as "Successfulness".

Factor-IV: It contains Creativity and innovativeness, Skills sharing and Competitiveness. Therefore, this factor is named as "Innovativeness".

Cronbach's alpha value is 0.84 which indicates that each item demonstrates acceptable level of internal consistency. It reveals that organizational climate, efficiency,

successfulness and innovativeness are the organizational factors for successful execution of Human Resource Management (HRM) practices in private hospital.

### Socio-economic profile of employees of paramedics and organizational factors for successful execution of human resource management (HRM) practices in private hospital

To examine the difference between socio economic profile of employees of paramedics and organizational factors for successful execution of Human Resource Management (HRM) practices in private hospital, ANOVA test has been used and the results are presented in Table 2.

**Table 2:** Difference between Socio Economic Profile of Employees of Paramedics and Organizational Factors for Successful Execution of Human Resource Management (HRM) Practices in Private Hospital

Particulars	F-Value	Sig
Gender and Organizational Factors for Successful Execution of Human Resource Management (HRM) Practices	104.701	.000
Age Group and Organizational Factors for Successful Execution of Human Resource Management (HRM) Practices	11.866	.000
Educational Qualification and Organizational Factors for Successful Execution of Human Resource Management (HRM) Practices	39.958	.000
Designation and Organizational Factors for Successful Execution of Human Resource Management (HRM) Practices	3.275	.011
Monthly Income and Organizational Factors for Successful Execution of Human Resource Management (HRM) Practices	17.651	.000
Work Experience and Organizational Factors for Successful Execution of Human Resource Management (HRM) Practices	82.863	.000

Source: Primary Data

From the above table, it is clear that the F-values are significant at one per cent level revealing that there is significant difference between socio economic profile of employees of paramedics and organizational factors for successful execution of Human Resource Management (HRM) practices in private hospital. Therefore, the null hypothesis of there is no significant difference between socio economic profile of employees of paramedics and organizational factors for successful execution of Human Resource Management (HRM) practices in private hospital is rejected.

## 7. Conclusion

The foregoing analysis reveals that majority of the employees are females and most of them in the age group of 31 – 35 years. Most of the employees are graduates and majority of them are staff nurses. Majority of the employees are in the monthly income group of Rs.10, 001 – Rs.15, 000 and most of them have work experience of 4 – 6 years. The organizational climate, efficiency, successfulness and innovativeness are the organizational factors for successful execution of Human Resource Management (HRM) practices in private hospital. The results also imply that there is significant difference between socio economic profile of employees of paramedics and organizational factors for successful execution of Human Resource Management (HRM) practices in private hospital.

## 8. Suggestions

The private hospitals should give conducive working environment to their employees of paramedics through applying advanced technologies, high organizational values, excellent organizational culture, rewards and incentives. Besides, feed back and performance evaluation must be carried out in regular basis and it should be informed to them. The human resource management professionals should be professional and competitive in the human resource management activities and functions and also they should be proactive. In addition, they should promote sharing of knowledge and skills, inter personal relations and leadership among employees of paramedics for successful execution of human resource management practices.

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