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**THE IMPORTANCE OF THE APPLICATION OF MODERN
HUMAN RESOURCES MANAGEMENT METHODS TO THE
LEVEL OF HEALTH ORGANIZATIONS**

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Abstract:

Human resources management is applied at the level of health organizations in a unitary manner, as in other socio-economic entities in our country, based on legal provisions. Until now, no strategy has been identified for the field of human health care, but the research could lead to the development of some dedicated techniques and methods.

Key words: public health, management, human resources, hospital, organization

1. Introduction

Human resources management is a strategic and consistent approach to the management of an organization's staff, which collectively contributes to the organization's objectives. In scientific paper „Critical Analysis to Framework Quality to HR Plan in Bankstown Hospital by SWOT”, published in 2017, researchers Hamzeh Khudeir and Dua’A Khudeir identify the fundamental needs and improvements needed by the human resources department at the Bankstown Hospital in Australia.

Bankstown-Lidcombe Hospital is located in southwestern Sydney, Australia, and has been in operation since 1995. Bankstown Hospital Lidcombe is a university hospital, adjunct to the University of New South Wales and affiliated with many other health institutions. The hospital has eight operating rooms, two endoscope chambers and six birth rooms. It also provides emergency services, intensive care, day surgery and neonatology.

By analyzing and critically evaluating internal systems and processes, the researchers identified a number of problems with varying degrees of difficulty, where improvements need to be facilitated. At the time of the analysis, the hospital accommodated 433 beds and provided services to 27,000 patients annually with the help of 1300 employees. The main issues identified were chronic government sub-financing, outdated outfits, excessive debt and poor budget controls, disproportionately high costs to other hospitals, lack of staff skills and various internal operating problems.

**2. Detailed presentation of a hospital with problems at the level of
human resources**

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The planning and information gathering stage of this research involved a thorough search of all data and information related to Bankstown Hospital, the researchers discussing with the hospital's human resources manager to learn some quiet information about hospital systems and processes within the hospital. At this stage, problems were identified at the level of the human resources department, followed by looking for methodologies, frameworks and tools of human resources that could be applied for the improvement of the hospital activity. The research was based on the Six Sigma model, reported to WHO standards and practices, but also to the findings of prominent authors. The recommendations were based on their own knowledge, combined with the synthesis of different authors and various theories, which contributed to providing broad and widespread recommendations, covering many different points of view and perspectives.

The organizational structure of the hospital is characterized by a traditional hierarchical management style. There are several levels of hierarchy in the hospital and they correspond to different departments and managers within the organization. The main sources of power in the hospital are acquired structurally rather than personally. This power is derived from the divisions of the organization's work and communication system. Invariably, health care organizations need significant resources to operate on a daily basis and to achieve long-term goals and goals. There may be a complex of power factors whereby the various departments of the organization struggle for finite and limited funding and resources.

Another factor is the organizational process of decision-making in the hospital. Strategic objectives that impact the entire organization are designed by top management. Performance appraisals are a great way to evaluate employees annually and to capitalize on good areas and focus on improving performance criteria. Procedures on disciplinary action and penalties must be stipulated for any situation in which they may occur in the work environment (Burlea Schiopoiu, Idowu, 2016).

This will vary, depending on the use of hospital services, whose demand is enormous. Even if hospitals do not require additional staff, the quality of staff can be greatly improved. It is possible to resort to new human resources management techniques, such as multiple pay and efficiency-based payment, to further advance and improve the workforce and to provide many incentives for skilled health workers. It is important to train and develop staff. Another way is to develop comprehensive performance targets that clearly specify the roles and functions of each position within the hospital and what is expected of everyone (Burlea Schiopoiu, Remme, 2017). A factor, often neglected, is the compatibility of certain employees in an organization with its culture, its principles, philosophies, etc.

3. SWOT analysis of human resource management in hospital

Based on the research and assessment of the human resources system at Bankstown Hospital, a conclusion was reached on the strengths and weaknesses of the human resources management strategy. In this context, a SWOT analysis of human resources management at Bankstown Hospital was carried out.

Outlined strengths have been exceptional research and development standards and innovative standards, as well as the high level and use of new technologies. Also in the category of strengths, the alliance with Sydney South West Area Health Service falls, the main advantage of the hospital being the location in the geographic center of the southwestern part of Sydney state.

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Additional services offered to patients are opportunities alongside the potential expansion of premises, buildings and infrastructure. In this context, other opportunities are the transfer of competences to new healthcare departments or initiatives, as well as public healthcare as a legitimate candidate in competition with private healthcare providers.

The weak points identified are difficult to counteract, being similar to those of the Romanian hospitals. In fact, government sub-financing has been classified as chronic, and hospital facilities are obsolete. Excessive debt and poor budgeting are added, with costs higher than in other hospitals. This is mainly due to the lack of key competences, but also to the presence of internal, operational problems.

As such, threats to the organization lie in the migration of patients to private health care institutions, but also in governmental changes in funding arrangements, legislation, policies, programs, regulations, etc. Another important threat is the potential overload of the system in peak times with higher intakes than the patient's usual, the general public's perception of the quality and delivery of hospital services being negative, along with demographic change.

As a result of this analysis, recommendations can be made to improve the human resources management strategy as well as the hospital's workforce plan. The first methodology that has been used was the Six Sigma approach, a relatively new concept for the health care industry, despite being used in manufacturing for years.

There are three key steps in applying the methodology to a medical institution. These involve the deployment or strategic level in which the initiative needs to be scrutinized across the organization and seriously consider how it will be compatible and appropriate. The second step is the project or tactical level where selections, behavior and projects will be used. The third step is the methods and tools that are being deployed at the operational level and they define how to properly apply Six Sigma analytical techniques and overcome the different technical issues and data collection measures.

4. The strengths and weaknesses of the human resources management strategy

Bankstown Hospital faces some key issues that need to be addressed. These are the following:

- Very centralized hierarchical structure of the organization. This can be seen in this light, which provides an excellent analysis of the British public health system, where this is clearly defined, as a deficiency of their system. Previously, it was stated that it is not productive and assertive to have a system involving multiple command lines and authority lines. The vital issue is the dissemination and communication of information, which can be hindered by such an autocratic organizational structure. The main solution to this problem and to the application of World Health Organization standards is to radically reshape the structure of the health care organization that will have a more pleasant management and a lower level of hierarchical authority based on the key principles and the best practices supported by the World Health Organization. By using and adopting different organizational structures in an organization, it can greatly lead to an improvement in human resource management and work performance. This will also have the added benefit of improving the quality of work. The structure should be dynamic and adaptable to changes in the hospital's internal and external environments, which is also endorsed by the World Health Organization. It may be necessary for Bankstown Hospital to change its structure to be aligned or realigned with the organization's strategic objectives and objectives. The main proposal is to transform from a centralized functional-hierarchical

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structure into a decentralized, organic and flat structure. Another possibility is the transition to a divisional structure, which will allow the structuring of the hospital, depending on different professional fields. Although this option is more expensive, it is very sophisticated and will result in better health outcomes and the management of qualified staff. Bankstown Hospital has low staff retention because there are no good motivational systems. In the study, one can see the attempt to maintain staff levels within the hospital. The main ways to achieve this are by providing strong incentives and performance-related pay, as well as long-term career choices and available training / development programs.

- High wage costs and productive inefficiency. A drop in wages is possible as a result of a failure to match wages with employee productivity and performance levels. Researchers have identified this as a persistent and fundamental problem in the British health system in the 1990s, for very similar reasons, which were quite large in size. The main solution to this problem was the highly concentrated composition of staff schemes and multiple pay levels (Burlea Schiopoiu, Nastase and Dobrea, 2013). While recognizing the need for remuneration in accordance with the skills and expertise of the individual staff, the importance of proven efficiency and productivity was equally vital to ensuring the value of wage costs. When implemented, there was a better situation in the hospital system and there was a simultaneous decrease in wage costs with higher performance levels associated with the bulk of staff.

- The waiting time / management of the patient's treatment process through the hospital - Costly patient access and waiting time, especially in hospital emergency departments, have been exacerbated by the lack of medical staff at hand at any time. Patient presentation varies from day to day at certain times. The waiting time should be reduced to Bankstown Hospital, as the national average for Emergency Departments is about 24 minutes, and for Bankstown Hospital it's over 30 minutes, sometimes. This has the negative effect of high patient dissatisfaction, weaker health outcomes, and reduction of chances and critical survival rate of patients. By applying the different ISO standards, we can significantly reduce driving / waiting time, using quality improvement concepts and philosophies.

5. Improvement of the human resources management system

According to the World Health Organization's recommendations, there are four key factors that lead to an improvement in the human resource management system and processes in any hospital. These include:

- Develop sophisticated evidence-based policies - substantiating policy formulation on empirical evidence, historical data and comparative analysis with other health systems around the world;

- Establishing a degree of autonomy in the workplace - which allows workers' space and prerogatives to improve by working with a certain degree of independence without giving them too much freedom and to ensure proper supervision and monitoring;

- A hospital monitoring and assessment plan - which will specify basic indicators, data collection measures, data management, analysis and use of communication and information;

- Ensuring the accessibility of information to all stakeholders within and outside the organization - including health regulators, the general public, health professionals and politicians.

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The main advantages of using the Six Sigma method as recommended are the following:

- Because it measures and evaluates each process in a business, it provides the organization's leadership with an effective indicator to manage performance for such distinct processes.
- It can also reduce the variability in delivery and service levels due to its effect of standardizing and measuring such performance indicators. The use of its advanced statistical techniques may also help to achieve best practice and achieve substantial improvements.
- It provides a method of study of an organizational unit or department, isolated from each other, and then the ability to apply the most effective approach across the organization. The use of common language and processes facilitates more informed and qualified decisions regarding long-term strategy and planning.

Regarding the key strategies of the hospital under review, we can see that a comprehensive set of measures will be needed that will be aligned and compatible with current organizational requirements and needs (Burlea Schiopoiu, Mahon, 2013). The main components of their strategy are to encourage universal prevention measures, optimize patient experiences, create a strong primary care system, develop a harmonious partnership, use intelligent areas and control the budget, develop and maintain healthy workforce, external environmental changes and influences that will impact the hospital.

The theory of low motivation can have a critical effect on the organization's human resources management system, because morale is a key indicator of staff performance and satisfaction. It also stresses the need for strong financial incentives to provide a stimulating incentive and encourages higher levels of productivity and performance by staff. The use of low motivation theory, combined with various human resource management tools, will enable managers to make effective strategic decisions that go to individual employees and their role within the organization.

The Six Sigma method is a very good method and has useful applications in a medical setting because it effectively reduces the error rate and increases the productivity and performance of the staff. It is clear that Bankstown Hospital has not used sophisticated management tools or theories to improve performance. There is also a clear and concrete link between human resource management and management / quality assurance theories, as the key outcomes and objectives of both areas are similar. As previously mentioned, the Six Sigma method has traditionally been used as a theory in the manufacturing industry, but now the health and other fields have recognized its huge advantages and are beginning to apply it as a viable alternative to more traditional management concepts of human resources or in connection therewith.

Bankstown Hospital would greatly benefit from the adoption of such a system and would represent the beginning of a modernization and transformation change for the 21st Century, where advanced management techniques and theories adapted to the business environment become prerequisites for optimal performance and delivery monitored services. At a more practical level, we can see how high rates of medical error by hospital staff can be measured and controlled using the Six Sigma approach, setting a maximum allowable threshold for hospital staff errors and mistakes based on a number of different criteria and variables, such as the number of patients, for each type of specific operation, for each member of the staff, etc. They should not aim to identify areas or people with different problems, but try to address them in a harmonious manner and in terms of positive outcomes for the whole hospital. It should also be mentioned that the implementation of the Six Sigma method brings a considerable cost and therefore the

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decision to invest or should not be carefully studied by the organization, weighing all the positive and negative factors.

A workforce in the health sector is vital to achieving effective health outcomes. It responds greatly to the demands and expectations of individuals, and provides a level of fairness and efficiency to get the best possible health outcomes, using the resources and funding available. There is a permanent and perpetual requirement to improve training, recruitment, education and staff development initiatives, as well as maintaining and increasing productivity and performance measures, to support and promote a highly skilled workforce, and to modernize medical assistance.

6. Comparison with the situation of hospitals in Romania

A comparison with the situation of Romanian state hospitals can be done with a very good accuracy, by comparing the elements identified at the time of the SWOT analysis of the Bankstown hospital. At the same time, the similarity of systems is also provided by the primary source of funding, and by the interdependence with the other public health insurance institutions at national level.

The four strengths identified at the Australian hospital are partly found in the hospital in Romania. And in this case, we have exceptional research and development standards and innovative standards, but their application is still deficient, especially as access to new technologies is often striking, by bureaucracy or incompetence.

From the point of view of the opportunities identified at Bankstown Hospital, it can be said that they are equally found at the hospital in Romania, given the fact that ambulatory patients come to support patients with additional services. At the same time, Romanian national policies permanently target the potential expansion of premises, buildings and infrastructure, including the transfer of competencies to new departments, or health care initiatives.

The weaknesses identified in the Australian hospital are at the hospital level in Romania, with chronic governmental sub-financing still remaining. Also, the existence of obsolete hospital facilities leads to higher costs than in other privately owned hospitals. At the same time, excessive debt and poor budgeting have as their primary source the lack of key competences, and the persistence of internal operating problems.

From the point of view of the threats identified at the hospital level in Bankstown, hospitals in Romania do not see the migration of patients to private health institutions as chronic, especially for financial reasons, and patients remain loyal to state hospitals. However, governmental changes in funding arrangements, legislation, policies, programs, regulations, etc. is often threatened, and overloads of the system are often identified at peak times, with higher intakes than regular ones, which creates a negative perception of the general public on the quality and delivery of hospital services.

Regarding the strengths and weaknesses of the human resource management strategy identified at Bankstown Hospital, compared to Romanian hospitals, one can notice that there is a very centralized hierarchical structure of the organization. Just as in the British health system, the vital issue is the dissemination and communication of information, which can be hampered by such a great autocratic organizational structure.

In terms of staff retention, as well as at Bankstown Hospital, this is also reduced to hospitals in Romania, as there are no good motivational systems, and the temptation to leave highly qualified doctors in other EU countries remains high. Even though lately doctors' wages have been increased, in the state system, the high wage spending leads to a productive inefficiency of public hospitals.

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Another negative aspect, common to Australian and Romanian state hospitals, is the high waiting / management time of the patient's treatment process through the hospital, defined by the patient's costly access and waiting times, especially in the hospital's emergency departments, exacerbated by lack of medical staff at hand at any time. In this context, we consider it useful to use in the Romanian hospitals the recommendations from the study at the Bankstown hospital level, which are in line with the policies and general recommendations of the World Health Organization.

7. Conclusions

By applying the Six Sigma quality control model, World Health Organization standards and the contribution of various health consultants, a comprehensive, long-term improvement solution has been developed within this organization. The use of human resources structures controls, as well as the motivational framework of employees, is also extremely beneficial to improving the morale of staff and work performance.

Organizational change has more chances of application, as politics, often neglected, are clearly defined and accepted by all members of the organization. The research has led to the identification of studies conducted abroad, which have chosen to inform the labor force management process through ERP applications, but also on the proposed implementation of Six Sigma control methods. In this context, current human resources management systems in the health sector could be radically improved with positive consequences, both in qualitative and financial terms.

The implementation of an ERP system may prove beneficial, as HR professionals are exploiting the potential of this investment to the maximum. ERP solutions succeed in facilitating data collection, administration, processing and interpretation by generating: lists, reports, organizational charts, graphs and graphs, statistical and comparative data. An efficient use of an ERP system can reduce the risk of collecting erroneous data and improve communication within the organization by streamlining the flow of information in a double sense.

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