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Human Resource Management Practices in Hospitals and its Impact on Employee Satisfaction by considering Demographic factors in Surat City

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ABSTRACT

Service industry is that industry which creates intangible and perishable product in the form of service rather than any tangible product. Healthcare industry is growing at a rapid pace owing to increasing discretionary income of Indian Consumer, more concern towards health and fitness, high coverage of hospitals and clinics and increasing expenditure by public as well private players. Despite huge opportunities available in industry and encouraging steps taken by government for growth of healthcare industry, still industry failed to overcome some challenges, One of the causes attributed is Human Resource. Satisfaction of Human Resource is the most important factor for the success of any service industry. It is also interconnected with HR functions like Recruitment, Selection, Induction, Training and Performance Appraisal, Career Planning, Counselling, Talent Management, Just and Fair Compensation and so on. After doing pilot study it is clearly observed that in developed Surat city hospitals' employees also facing some of the problems related to job satisfaction The present investigation has been carried out with respect to study the impact of the satisfaction levels of employees varies with the systematic or unsystematic (disorganized) implementation of HRM practices in selected hospitals of Surat city.

Keywords: HRM practices; Five Hospitals; Job Satisfaction; Demographic Factors.

1.0 Introduction

1.1 Service Industry

Service industry is that industry which creates intangible and perishable product in the form of service rather than any tangible product. Mostly Economist says that if service industry exercise control over economy which is sign of developed countries.

The services sector is not only the leading sector in India's Gross Domestic Product (GDP), but has also attracted significant foreign investment flows, contributed significantly to exports as well as provided large-scale employment.

1.2 Healthcare industry

Health care differs from other goods and services in important ways. The output of a product is product. The ultimate output of medical care is its effect on health. The healthcare sector as an industry is expanding rapidly in India and has not been as

severely impacted by the economic slowdown as some of the other industries.

1.3 Healthcare scenario in Gujarat

The healthcare scenario in Gujarat is changing rapidly and many substantial changes are likely to occur in the nature of provision of healthcare and the role of each player in the industry. Gujarat offers holistic medicinal services and cost effective treatment through various district hospitals, sub district hospitals and private specialty hospitals. Share of primary care in the total healthcare market of Gujarat is around 75-80%. Secondary and tertiary care account for 17% and 4% respectively of the total healthcare market.

Gujarat is evolving in terms of number of hospitals, healthcare centres, beds and is expected to continue a positive trend in future. Doctor to patient ratio is 1:10 and nurse to patient ratio is 1:5. By doing state- wise comparison, Gujarat has 31,369 beds, while there are 1637 hospitals 1073 PHCs in Gujarat.

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With the use of latest technological equipment, skilled manpower, efficient health insurance and major corporate investment, State has potential to grow at a much faster rate and the sector is already in boom. Number of doctors registered in Gujarat is more than 42,000 (42,285) and registered nurses are 17,551. Gujarat has more than 10 MBBS colleges, 13 homeopathic colleges, and Nine Ayurvedic colleges.

Gujarat commands 42 percent share of India's pharmaceutical turnover and 22 percent share of exports. As on year 2008, Approximately 52,000 people are employed in Gujarat's pharmaceutical sector, which has witnessed 54 percent CAGR

2.0 Concept of HRM

2.1 Definition of HRM

HRM is define as "The planning, organizing, directing and controlling of the procurement, development, compensation, integration, maintenance and reproduction of human resources to the end that individual, organizational and societal objectives are accomplished.

Table1: Objectives & Functions of HRM

Objectives	Functions
Societal Objectives	Legal Compliance Benefits Union-Management Relationship
Organizational Objectives	Human Resource Planning Employee Relations Selection Training and Development Appraisal Placement Assessment
Functional Objectives	Appraisal Placement Assessment

Personal Objectives	Training and Development Appraisal Placement Compensation Assessment
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2.2 Introduction to employee job satisfaction

Employee satisfaction is the terminology used to describe whether employees are happy and contented and fulfilling their desires and needs at work. Many measures purport that employee satisfaction is a factor in employee motivation, employee goal achievement, and positive employee morale in the workplace. Job satisfaction is a set of favourable or unfavourable feelings with which employees view their work -Davis & Newstrom (1989).

3.0 Review of Literature

HRM Practices	Source
Recruitment	Suryawanshi,S.(2012), Adomolga-Adageba,M.(2011), Tikare, M. B. (JUNE 2009), Katou and Budhwar (2007), Edgar and Greare (2005) Rahman, M.et.al
Training and Development	Noe et al., 2007), Elarabi,M.; Johari,F.(2014), Adomolga-Adageba,M.(2011), Mudor, H., & Tooksoon, P. (2011), Tikare, M. B. (JUNE 2009).
Job Description and Remuneration	Tikare, M. B. (JUNE 2009), Suryawanshi,S.(2012), Suryawanshi,S.(2012), Rahman,M.et.al(2013).
Performance Appraisal	Suryawanshi,S.(2012), Jha.R. et.al, Omar, M.et.al, Rahman, M.et.al, Rajan,D., Zainal and Nasuridin (2011),
Welfare Activities	Adomolga-Adageba,M.(2011), Rajan,D. ,Patil,S.;

	Chaoudhati,P(2013)
Superior-Subordinate Relationship	Patil,S.; Chaoudhati,P(2013)
Stress At Work	Lu,H.et.al, Edgar and Greare (2005)., McNeese-Smith (1999)
Future Plan	Patil,S.; Chaoudhati,P(2013). SaifnN. Et.al.(2013).
Empowerment	Pietersen,C(2005)., Fung-kam (1998).
Relationship With Colleague	Pietersen,C(2005)

3.1 Research gap

Research studies that were confronted during literature scanning are on the topics as Personnel Polices, Recruitment Sources, Selection Process, Induction, Performance Appraisal, Training and Development, Employee Satisfaction, Strategic HR and so on so forth. But there seems to be no research study available on HR practices and its effect on employees' satisfaction in Surat City. There appeared to be an urgent need to undertake a research study that that covers HRM practices, and Satisfaction level of employees at hospitals of Surat City.

The study might try to find answer to the following questions:

- A) How HRM Practices are implemented in Hospitals of Surat City?
- B) What Kind of HRM Practices are implemented in Hospitals of Surat City?
- C) What will be impact of HRM practices on Satisfaction Of employees of hospitals by considering demographic profile ?

4.0 Research Methodology

4.1 Research problem

Human Resource Management practices in hospitals and its impact on employee satisfaction by considering demographic factors in Surat city.

4.2 Objectives of study

1. To study satisfaction level related to Human Resource Management practices followed by hospitals in Surat city.
2. To measure satisfaction level of employees of hospitals in Surat city.
3. To study impact of demographic factors on satisfaction level of employees of hospitals in Surat City.

4.3 Hypothesis of study

H₀₁: There is no relationship between median of Employee Satisfaction and Designation of Employee.

H₀₂: There is no relationship between median of Employee Satisfaction and Salary of Employee.

H₀₃: There is no relationship between Employee Satisfaction and Age of Employee.

H₀₄: There is no relationship between median of Employee Satisfaction and Gender of Employee.

H₀₅: There is no relationship between median of Employee Satisfaction and Education of Employee.

H₀₆: There is no relationship between HRM practices and employee satisfaction.

4.4 Scope of study

Five hospitals namely Civil Hospital, SMIMER Hospital, Wockhardt, Nirmal Hospital and Anand Hospital were selected as a unit of study.

- 1) Research Design -Descriptive research
- 2) Sources of Data
 - a. Journals, Articles, Books, Websites
 - b. Primary Source of Data
- 3) Related data were collected from employees of hospital in Surat City.
- 4) Data Collection Method
- 5) A survey method
- 6) Data Collection Tool
- 7) A questionnaire
- 8) Sampling -Population of the Study -The target population of the study is the various types

(Government, private, special disease, multi-purpose etc.) of hospitals in Surat city

- 9) Sampling Unit - The employees of five hospitals (permanent as well as on contract basis) of Surat city.
- 10) Sampling Technique
- 11) Non-probability convenience sampling technique.
- 12) Tools and Techniques of Data Analysis.
- 13) Various descriptive statistics as well as inferential statistics like frequency distribution cross tabulation, charts, testing of hypothesis.
- 14) Future Scope of Study
 - a) The study can be extended to other parts of Gujarat and other states also.
 - b) The study can be extended for other hospitals of Surat City also.
 - c) The study can be extended to compare employee satisfaction from HRM functions between government and private hospital

Table 2: Sample Size

Name of Hospital	Number of Respondents
Civil Hospital	31
SMIMER Hospital	29
Wockhardt Hospital	27
Nirmal Hospital	33
Anand Hospital	31
Total	151

5.0 Data Analysis

5.1 Hypothesis Testing Related Job Satisfaction

H_{01} : There is no relationship between median of Employee Satisfaction and Designation of Employee.

In order to identify relationship between Designation of employees and Satisfaction, researcher has used Kruskal Wallis Test

H_0 : There is no relationship between median of Employee Satisfaction and Designation of Employee.

H_A : There is relationship between median of Employee Satisfaction and Designation of Employee.

Table 3: Cross-Tabulation Related to Employee Satisfaction V/S Designation of Employees

Designation	Job Satisfaction					Total
	1	2	3	4	5	
Admin Staff & Cashier	00	00	00	29	03	32
Doctor	00	00	01	69	06	76
Head of Nursing & Nurse	00	00	02	35	06	43
Total	00	00	03	133	15	151

Table 4: Comparison of Designation Related to Job Satisfaction

Designation	N	Mean Rank
Admin Staff & Cashier	32	76.94
Doctor	76	74.95
Head Of Nursing & Nurse	43	77.16
Total	151	

Test Statistics: Chi-Square Value: 0.282

Significance Value: 0.868 @ 95 percent confidence level

Result: Fail To Reject Null Hypothesis.

Interpretation: There is no relationship between median of Employee Satisfaction and Designation of Employee.

5.2 H_{02} : There is no relationship between median of Employee Satisfaction and Salary of Employee.

In order to identify relationship between Salary of Employee and Satisfaction, researcher has used Kruskal Wallis Test

Table 5: Cross-Tabulation Related to Employee Satisfaction V/S Designation of Employees

Salary	Satisfaction Related Pay		Total
	Yes	No	
Less Than 5k	01	00	01
5001 to 10k	00	01	01
10001 to 15k	15	12	27
15001 to 20k	17	6	23
20001 and Above	73	26	99
	106	45	151

H₀: There is no relationship between median of Employee Satisfaction and Salary of Employee.

H_A: There is relationship between median of Employee Satisfaction and Salary of Employee

Table 6: Comparison of Salary Related to Job Satisfaction

Satisfaction Index	N	Mean Rank
Less Than 5k	01	70.00
5001 to 10k	01	70.00
10001 to 15k	27	70.00
15001 to 20k	23	76.43
20001 and Above	99	77.66
	151	

Test Statistics: Chi-Square Value: 2.18

Significance Value: 0.702 @ 95 percent confidence level

Result: Fail To Reject Null Hypothesis.

Interpretation: There is no relationship between median Salary and Employee Satisfaction.

5.3 H₀₃: There is no relationship between Employee Satisfaction and Age of Employee

In order to study relationship between Age and Employee Satisfaction the researcher has performed Spearman Rank Correlation. As Data of Age is not normal.

H₀: There is no relationship between Employee Satisfaction and Age of Employee.

H_A: There is relationship between Employee Satisfaction and Age of Employee

Table 7: Correlation between Employee Satisfaction and Age of Employee

Spearman's rho	Age	Satisfaction
Correlation Coefficient	1	0.203
Sig. (2-tailed)		0.014
N	146	146

Test Statistics: Correlation Coefficient: +0.203

Significant Value: 0.014 at 95 percent confidence level

Result: Reject Null Hypothesis

Here value of Correlation Coefficient is + 0.203* which indicates Weak Positive correlation between two variables. That means with increase in Age, satisfaction towards Job also increases. And this relationship is also significant as value of p is less than 0.05.

5.4 H₀₄: There is no relationship between median of Employee Satisfaction and Gender of Employee.

In order to study relationship between Job Satisfaction and various categories of Gender, the researcher has done cross-tabulation and Kruskal Wallis Test

Table 8: Cross-Tabulation Related to Employee Satisfaction V/S Gender of Employees

Gender	Job Satisfaction					Total
	1	2	3	4	5	
Male	00	00	01	83	08	92
Female	00	00	02	50	07	59
Total	00	00	03	133	15	151

H₀: There is no relationship between median of Employee Satisfaction and Gender of Employee.

H_A: There is relationship between median of Employee Satisfaction and Gender of Employee

Table 9: Comparison of Gender Related to Employee Satisfaction

Gender Satisfaction	N	Mean Rank
Male	92	75.16
Female	58	76.04
Total	151	

Test Statistics: Chi-Square Value: 0.47

Significance Value: 0.829 @ 95 percent confidence level

Result: Fail To Reject Null Hypothesis.

Interpretation: There is no relationship between median of Employee Satisfaction and Gender of Employee.

5.5 H₀₅: There is no relationship between median of Employee Satisfaction and Education of Employee

In order to study relationship between Employee Satisfaction and Education, the researcher has done cross-tabulation and Kruskal Wallis Test.

Table 10: Cross-Tabulation Related to Employee Satisfaction V/S Education of Employees

Education	Employee Satisfaction					Total
	1	2	3	4	5	
Non – Medical	00	00	00	28	03	31
Medical Related						
MBBS	00	00	00	24	03	27
MD	00	00	00	21	02	23
Nursing	00	00	02	38	06	46

MS	00	00	01	09	00	10
BHMS	00	00	00	13	01	14
Total	00	00	03	133	15	151

H₀: There is no relationship between median of Employee Satisfaction and Education of Employee. H_A: There is relationship between median of Employee Satisfaction and Education of Employee

Table 11: Comparison of Medical Field Related Education to Employee Satisfaction

Education Related Categories	N	Satisfaction Mean Rank
MBBS	27	62.50
MD	23	61.09
Nursing	46	61.28
MS	10	50.60
BHMS	14	60.18
Total	120	

Test Statistics: Chi Square Value: 2.827

Significance Value: 0.587 @ 95 percent confidence level

Result: Fail To Reject Null Hypothesis.

Interpretation: There is no relationship between median of Employee Satisfaction and Medical Field Related Education.

6.0 Hypothesis Testing Related HRM Practices

H₀₆: There is no relationship between HRM practices and employee satisfaction

H₀: Employees are Neither Satisfied nor Dissatisfied with HRM Practices Followed by Hospital.

H_A: Employees are Satisfied with HRM Practices Followed by Hospital.

Table 12: Summary Of Hypothesis Testing Related HRM Practices

Satisfaction Related HRM Practices Performed by Hospitals	Chi Square Value	P value @ 95 percent Confidence Level	Decision
Recruitment			
Systematic Appointment Process	215.57	0.000	Reject Null
Training and Development			
Systematic Induction Training	235.28	0.000	Reject Null
On The Job Training	234.92	0.000	Reject Null
Off The Job Training	0.60	0.807	Fail To Reject Null
Career Planning	0.325	0.569	Reject Null
Planning for Development of Hospital	13.411	0.000	Reject Null
Training Calendar	21.51	0.000	Reject Null
Complete Information about Hospital	284.27	0.000	Reject Null
Job Description and Remuneration			
Satisfied with Pay	24.64	0.000	Reject Null
Complete Information about Statutory Compliances	135.42	0.000	Reject Null
Accurate Job Description	135.42	0.000	Reject Null
Performance Appraisal			

Performance Appraisal System	215.06	0.000	Reject Null
Receive feedback from HR	0.536	0.464	Fail To Reject Null
Guidance related Improvement	1.490	0.222	Fail To Reject Null
Connection between Pay and Performance	24.64	0.000	Reject Null
Connection between Performance and Achievement	105.94	0.000	Reject Null
Connection between Achievement and Promotion	101.49	0.000	Reject Null
Reward for Work	1.119	0.000	Reject Null
Platform for Promotion in Future	142.64	0.000	Reject Null
Welfare			
Welfare Activities	67.55	0.000	Reject Null
Retirement Benefits	84.53	0.000	Reject Null
Healthcare Benefits	93.78	0.000	Reject Null
Benefits provided by hospital comparable with that provided by other hospitals in the area	167.27	0.000	Reject Null
Superior-Subordinate Relationship			
Superior listen to your complains	6.364	0.012	Reject Null
HR solve	15.90	0.000	Reject

complains regarding your Job			Null
Superior-Subordinate Relationship	0.325	0.569	Reject Null
Stress At Work			
Work Burden in Hospital	11.13	0.001	Reject Null
Burden at Work Affect Family Life	15.90	0.00	Reject Null
Able to Maintain Balance between Personal and Professional life	17.22	0.00	Reject Null
Future Plan			
Willing to Continue Job with Same Organization	20.033	0.00	Reject Null
You are Valued in Hospital	15.90	0.00	Reject Null
Top management is Committed to Deliver Better Service	35.29	0.00	Reject Null
that hospital recognize success of employees	33.38	0.00	Reject Null
Empowerment			
Platform to Execute Ideas	0.536	0.464	Fail To Reject Null
Relationship With Colleague			
Colleague help to Solve Problems Related to Job	127.95	0.000	Reject Null
Expectation with hospital at a time of joining met	0.166	0.684	Fail To Reject Null

6.1 Interpretation

Hypothesis Testing revealed that employees are Satisfied with following HRM Practices Performed by Hospitals:

- 1) Recruitment
- 2) Training and Development (Excluding Off the Job T&D)
- 3) Job Description and Remuneration
- 4) Welfare
- 5) Superior-Subordinate Relationship
- 6) Stress At Work
- 7) Future Plan

While employees are dissatisfied with

1. Off the Job training related to Training and Development
2. Performance Appraisal System
 - a. Receive feedback from HR
 - b. Guidance related Improvement
3. Empowerment
4. Relationship with colleague
 - a) Expectation with hospital at a time of joining met

7.0 Conclusions

Evidence from the study strongly supports that hospitals are performing majority of HRM functions effectively namely Recruitment, Training and Development (Excluding Off the Job T&D), Job Description and Remuneration, Performance appraisal, Welfare, Superior-Subordinate Relationship, Stress At Work, Planning related to Future, providing Empowerment and maintaining interpersonal relationship.

Employees are also satisfied with Job Description and Remuneration. Majority of employees at all hierarchy level perceived that they are getting good salary and found satisfied with the same.

Employees found satisfied with statutory compliance provided by hospitals. Employees perceive that proper Job description has been provided by hospitals.

It can concluded that Demographic factors namely Income (salary), designation, Gender and Education doesn't have any impact on Satisfaction level of employees of hospitals of Surat city.

Demographic factor Age has impact on satisfaction level of employees of hospitals of Surat City.

There is weak positive correlation between Age and Satisfaction of employees

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