CHAPTER I

1.1 INTRODUCTION

Human Resource Management (HRM) is a new way of thinking about how people should be managed as employees in a workplace. Advocates of HRM have been presented as having a role to play in both the private and public sectors. In the private sector, if the employer fails to manage the human resource well enough to compete successfully in the market-place, then ultimately the business will fail. The company may decline slowly where competition is weak or it may become rapidly bankrupt where competition is strong. The public sector, likewise, has an interest in effective management of employees, and standards and quality of public–sector services are highly dependent on employee’s motivation, skills, and service orientation. HRM, therefore, is about effective management of the employment relationship and applies to management activity in all organizational settings, even unpaid and voluntary work.

Human resource management is a strategic and coherent approach to the management of an organization’s most valued assets- the people working there who individually and collectively contribute to the achievement of its goals.

The importance of human resource management has increased these days because management can achieve the organizational objectives only with the cooperation of the people working in the organization. Without the efficient use of human resources, management can never accomplish organizational objectives. Therefore, creating and maintaining a motivated workforce is the central responsibility of management everywhere.

HRM roles include:

- Apply quality and productivity principles to improve HRM function.
- Make policies clear, consistent, and complementary or synergistic.
- Facilitate implementation of quality and productivity interventions.
- Attention to such functions as staffing, training, appraisal, and compensation to ensure fit with organization’s goals: if goals change, function need to change.
The study of HR practices and activities gives the extent of success or failures of policies and practices. Research of human resource management provides an understanding of practices, policies that are successful and those which are not, what changes are necessary and in what area of personal management. Management needs information on employee job satisfaction in order to make sound decisions, both in preventing and solving employee problems. A typical method used is a job satisfaction survey. It is procedure by which employees report their feelings towards their jobs and work environment. Today human resource managers want to know how to have satisfied employees, not why employees should be satisfied.

The topic of job satisfaction at work is getting wider attention at this time. Job satisfaction is the satisfaction one feels while doing the job. Job satisfaction is a complex and important concept for human resource managers to understand most employees do not believe their work is being properly rewarded. Nor do they believe that their companies are doing enough to attract high quality performers, train them, or manage them effectively. In fact no organization can successfully achieve its goal and mission unless and until those who constitute the organization are satisfied in their jobs.

Hospitals are the key element in any health care system. Health care is a service every person needs sooner or later. The health care industry is significantly different from its manufacturing counterparts. For example, the health care industry is not assembly line oriented and as such has many more barriers to the successful implementation of customer delightment. The hospital administration’s key challenge is the fact that doctors and nurses are not employee of hospitals; instead, they are customers of the administration process.

Being centers of specialized medicine and technology, with large multidisciplinary teams, these institutions deliver a whole range of specialized services. Many hospitals also have a role to play in biomedical research, and in teaching and training of health professionals. Moreover, hospitals have a key role in health promotion, environmental concern, social human resources, and the creation of patient oriented service and management.
Hospital organization presents a number of unique human resources management challenges. Managing human resources is the real challenge of hospital managers. Human resource management contributes to the creation of sound organizational climate characterized by opportunities for growth, fair distribution of work, reward and harmonious relationship. Quality care begins with HRM\textsuperscript{8}.

The health care industry, like other industries has experienced profound changes during the past several decades. Nursing, as a health care profession and a major component of the health care delivery system, is significantly affected by shifts in the health care industry. In addition, nursing has been and will continue to be an important force in shaping the future of the health care system.

Medical errors and adverse events in hospitals are common and many of them are potentially avoidable. In addition to their capacity to harm patients, these potentially avoidable outcomes can increase the length and cost of stay adding considerably to the economic difficulties of hospitals.\textsuperscript{9}

Customer satisfaction is the key to retain customers likewise job satisfaction is important for keeping staff nurses on the job. Job satisfaction in staff nurses should be of great concern to any health services organization.\textsuperscript{10} Organizational features can affect how staff views their quality of work life. Determining staff perceptions about quality of work of life is an important consideration for employers interested in improving employee job satisfaction.\textsuperscript{11}

Hospital patients are sicker now than ever before. Nurses appear to be leaving the hospital in search of less stressful environs with better schedules. As the threat of a nursing shortage looms ever larger, employers, policy makers, and researchers alike are interested in learning how they can keep nurses in the workplace. One key to combating the shortage is a better understanding of nurses’ satisfaction with their job and with their career.\textsuperscript{12} Recognition for job performance and professional achievement is central to staff nurse morale. In a number of surveys conducted at both local and national levels, recognition has been identified as a key contributor to nurses’ job satisfaction.
and retention.\textsuperscript{13} Therefore, job satisfaction plays an integral role in voluntary turnover among nurses in long-term psychiatric setting. Carrying heavy patient loads while lacking sufficient autonomy to implement procedures and make decisions is frustrating for nurses. Higher workloads increase both mental and physical demands on the workers.\textsuperscript{14}

In a longitudinal study, staff nurses perceived autonomy to be the most important determinant of their job satisfaction and decision to stay or leave the hospital. Nurses higher on the clinical ladder are more satisfied with their jobs. Job satisfaction increases relative to pay, task requirements, and nursing administration. Variables of work content and environment appear to have stronger relationships with satisfaction than economic or demographic variables such as age, background, sex, and economic status.\textsuperscript{15}

Nowadays, it is widely acknowledged that staff is an organization’s most important resource and most valuable asset. Human resource managers (amongst others) recognize that investment in staff is just as important as investment in plant and machinery. Effective human resource management is about enabling each and every member of staff to reach his or her potential and make a key contribution to wards company survival and growth in an increasingly competitive world.\textsuperscript{16}

1.2 IMPORTANCE OF STUDY

Nurses are the largest professional group within health service organization.\textsuperscript{17} They are expected to provide good-quality care by diagnosing and treating human responses to health and illness and empower their clients by moving them toward an independent, self-regulated, healthy life.\textsuperscript{18}

The job satisfaction of nurses, most of whom are employed by hospitals, is of interest for three reasons. First, job satisfaction is related causally to turnover. Turnover creates instability in organization and increases labor cost associated with orientation of new employees. Second, job satisfaction is a possible determinant of effective job performance. Studies show that nurses’ job satisfaction levels were related to patient
satisfaction with nursing care delivery. Third, job satisfaction can be viewed as an end in itself.\textsuperscript{19}

The health care service industry is increasingly putting emphasis on providing customer-centered services. It is believed that customers’ intention to return to the health care institution for future service. Patients’ satisfaction with nursing care quality has been identified as one of the determining factors of patients’ intention to return to the hospital for services, and employee job satisfaction contributes to various positive patient outcomes.\textsuperscript{20} Just as customer satisfaction is the key to retaining customer, satisfaction with job and career choices are important to keeping staff nurse on the job.\textsuperscript{21}

Nurses’ job satisfaction has been studied extensively in western countries, and the great number of variables documented in the literature acknowledges that it is a complex problem that may not be easy to solve. Job satisfaction is an important issue to both employers and employees. Herzberg’s theory of motivation correlates job satisfaction with extrinsic and intrinsic conditions. In nursing, job satisfaction is especially important because of the intrinsic aspects of the work and its potential to improve patient care.\textsuperscript{22} Hospital executives and nurse administrator, as well as staff nurses, may see job satisfaction as important in its own right.\textsuperscript{23}

The Royal College of Nursing (RCN) Wales survey 2003 asked respondents to tell why they had joined the profession in the first place.

- 70% of nurses surveyed say they joined the nursing professional for a challenging, varied career.
- 27% say they joined to make a difference to society.
- 3% say they joined for a well paid, flexible job.

\textit{Time spent away from nursing:}
- 32% of nurses surveyed have spent time away from nursing.

\textit{Expectation of remaining in nursing:}
- 33% of nurses expect to leave the nursing profession before retirement.\textsuperscript{24}
Quality improvement regards the hospital as a complex interrelated system of structures, people, and processes which exists to serve its various customers. The hospital serves its customers needs by concentrating on the processes it employs to perform its work. Processes are continually subjected to analysis and, where appropriate, change in order to improve them. Improving processes in a system requires teamwork and leadership.25

It is only possible to provide efficient and high quality health services by highly satisfied health care personnel in hospitals, including nurses. For this reason, determining the job satisfaction level of nurses, finding the factors that affect their job satisfaction, and putting measures into effect in response to these factors will increase efficiency in hospitals.26 In the health care sector, the core process is the patient care pathway, which provides a framework for nursing staff to manage the patient from admission through to discharge.27 Grindel and colleagues found that quality patient care occurred in practice environments with high degrees of patients’ satisfaction, physician satisfaction with patients care, and nurse’s job satisfaction.28

Nelson, Cooper, and Jackson (1995) conducted a workforce study during the process of two major organizational transitions. Data were collected from 332 employees at three time periods: pre-privatization, post privatization, and post-reorganization. Three dependent variables were included: job satisfaction, mental health symptoms, and physical health symptoms. Job satisfaction dropped following privatization and increased following reorganization. Mental health symptoms increase following privatization. There was also a significant increase in physical health symptoms following privatization.29

The Health Care Advisory Board (HCAB) reported a study of more than 1600 nurses, which showed only 21%, reported being “very satisfied” in their current jobs and 28% responded that they were “somewhat or very dissatisfied”. Fifty-one percent reported that their jobs had become “less much less” satisfying in the past 2 years. HCAB also concluded that “the erosion of professional satisfaction increases the likelihood that nurses will leave their current job”.30 Therefore, management must train
and motivate employees to work for the organization as a whole, rather than merely work for a given department. Customer survey and feedback are important in the determining satisfaction level.\textsuperscript{31}

In a large multinational study, Aiken et al found that low morale among hospital nurses was not unique to the United States. More than 40\% of nurses in Pennsylvania report being dissatisfied with their job. This compares to 32.9\% in Canada, 36.1\% in England, 37.7\% in Scotland, and only 17.4\% in Germany. They also found that 3 in 10 nurses in England and Scotland and more than 2 in 10 in the United States plan to leave their job within a year.\textsuperscript{32}

Recent studies support the importance of organizational commitment and structure to the job satisfaction of nurses as well as to the job satisfaction of nurse managers. Acorn and colleagues reported that for nurse managers, decentralization had a positive effect on perceived autonomy, job satisfaction, and organizational commitment.\textsuperscript{33}

Unfortunately, until recently the work of nurses was poorly understood and undervalued almost everywhere, and even now, when nurses are the large number of health professionals worldwide and nursing is a key component of health care in every type of setting, many people have no idea what a nurse actually does. Nurses work in many different settings in roles which vary from that of medical assistant to only health care professional in a community, providing comprehensive health care services.\textsuperscript{34}

Iran, a country of sixty eight million has a national health service which employs over 70,000 nursing personnel who provide nursing care in general and specialty hospitals. Although the population of nurses is approximately one hundred and twenty thousand, many are unemployed. Among the unemployed are those who choose not to work after marriage. Consequently, Iran like other countries is faced with a nursing shortage. The impact of this nursing shortage lead nurses to work more than their required shift of 192 hours per month; with potentially 150 hours of overtime in
some parts of the country. The role of nurses is unclear, for although most of them are employed in hospitals, yet few or none are in the role of Public Health Nursing.\textsuperscript{35}

In the recent years, the public and government have criticized Iranian nurses because of the poor quality of patient care. They are searching for strategies to more appropriately use the workforce, such as decentralization and privatization.\textsuperscript{36} However the nurses’ views about the factors that affect their clinical functions have rarely been investigated. It appears that the critics have forgotten that nurses cannot satisfy others if they feel dissatisfaction.\textsuperscript{37}

Study of job satisfaction of nurses and human resources management practices in private and public hospitals in Iranian nurses’, help us, to recognize and determine the level of nurses’ job satisfaction (internal customers’ in hospital) for continuing to improve customer services, because the purpose is of customers’ satisfaction survey are not only to learn the actual satisfaction level, but also to highlight the strengths and the area of for improvement. On the other hand, if hospitals are to survive, they must learn how to generate high levels of external and internal customer satisfaction. Since nursing job satisfaction is crucial to the role of nurses, and also to keep them in the hospitals. This is one of the first studies to investigate job satisfaction of nurses in Iran. This study was conducted and aimed for assessment of job satisfaction of nurses in Iran.
1.3 OBJECTIVES

The aim of this thesis is “A comparative study of human resource management practices in private and public hospitals of Iran with special reference to job satisfaction of nurses”. Specific objectives of this thesis are the following:

I. To identify the HRM practices which affect nurses’ job satisfaction in private and public hospitals’ in Iran.
II. To compare the level of nurses’ job satisfaction in private and public hospitals’ in Iran.
III. To suggest HRM policy and practices for enhancing the job satisfaction of nurses.

1.4 HYPOTHESIS

The hypotheses of this study are as follows:

1.4.1 Job satisfaction in public hospitals nurses’ is more than those of private hospitals nurses in Iran.
1.4.2 Job satisfaction of nurses is directly related to HRM practices.

1.5. SCOPE OF STUDY

The study was confined to the hospitals of Tehran province in Iran. It was restricted to selected public and private hospitals units of Tehran in Iran. The scope was related to the nurses’ job satisfaction, and hospital management for creation of job satisfaction and retention of the nurses in their profession for health care delivery.

1.6. METHODOLOGY
1.6.1 Conceptual Framework

The conceptual framework for this study was based on existing literature and research and was determined by characteristics of the individual, the work, and the HRM practices. It was drawn from the theoretical perspectives of Maslow’s hierarchy of needs, Herzberg’s two-factor theory, expectancy theory, and general nursing theory.
Job satisfaction is set of favorable or unfavorable feelings with which employee view their work. The feelings measured through different statements related to the job dimension such as nature of work, autonomy, co-worker, recognition, promotion, supervision, and pay. The status of HRM practices was identified with the support of information collected from the hospitals. The administrative practices related to nurses were considered as HRM practices in general. However, the study particularly focused on the job satisfaction practices, affecting the related variables.

1.6.2 Variables

Job satisfaction can be considered both as an independent and dependent variable. As an independent variable, job satisfaction is recognized as the cause of phenomena such as turnover, absenteeism, retention, and productivity. As a dependent variable, job satisfaction was seen as caused by factors such as demographic/personal characteristic, nature of work, autonomy, co-worker, recognition, promotion, supervision, pay, and HRM practices. In this study, job satisfaction was treated as a dependent variable.
1.6.3 Sample Size

According to W.H.O sample size determination in Health studies formula\(^{38}\), (for qualitative study), the sample size in this study includes about 400 nurses.

If: \( P/Proportion: 0.50 \) (according to the literature as mentioned in part 1.2), Confidence value/ \( Z_{95\%}=1.96 \), \( d=0.05 \) (error)/distance value.

\[
N = \frac{p \cdot q \cdot z^2}{d^2}
\]

\[
= \frac{.50 \cdot .50 \cdot (1.96)^2}{.05^2}
\]

\[
= \frac{.09604}{.0025}
\]

\[
= 384.16
\]

1.6.4 Source of Information

For gathering data in primary source the researcher used questionnaire, observation and interview method for information of hospital but only questionnaire were used for nurses. For gathering data in secondary source the researcher used different books, surveys, journals, etc related to the study.

1.6.5 Instrument

In the job satisfaction literature, many studies emphasize that job satisfaction is composed of many components and that is unreliable to use scales to measure satisfaction level with only one aspect of a job. In accord with this view, the researcher used a job satisfaction scale that measures satisfaction with different aspects of a job. The researcher created a questionnaire regarding demographic data and job satisfaction
facet related to nursing job for deeper investigation. Also, many of variables found in the literature review were formed into questions and added to the survey. The researcher has developed questionnaire in three parts namely about, 1) Hospital information, 2) Nursing job satisfaction in two sections: a) demographic data, b) nursing job satisfaction and, 3) HRM practices that affect nursing job satisfaction.

1) Hospital information is related to: identification, facilities (beds, wards---), human resources (doctor, nurse---), organization chart, inpatient and outpatient, educational activities, etc.

2) Nursing job satisfaction: section one, 28 questions about demographic data including (gender, age, marital status---) and section two about nursing job satisfaction. In this scale, the job components that might affect satisfaction level were (1) Nature of work, (2) Autonomy, (3) Co-worker, (4) Recognition, (5) Promotion, (6) Supervision, (7) Pay, and Overall job satisfaction. To measure satisfaction level with these aspects of nursing, total 77 different questions representing different aspects of each component were asked. The first 26 questions about nature of work, 5 questions—autonomy, 11 questions—co-worker, 6 questions—recognition, 7 questions—promotion, 15 questions—supervision, 6 questions—pay and one question which consider all questions about overall job satisfaction. Data were collected using a 5-point Likert scale, with response to categories used to measure each of the items in the various dimension from “very dissatisfied” (1) to “very satisfied” (5) and not applicable(9). Then, for analysis we used 3-point scale (dissatisfaction, neutral, and satisfaction).

3) HRM practices affected on job satisfaction, total 43 questions as below: five factors such as, Salaries and fringe benefits (9 questions), Staffing philosophy, clerical work: floating rotating shifts (6 questions), Professionalism; interdisciplinary relationships; public relations (11 questions), Staff development (9 questions), Administration support (8 questions). Data were collected using a 5-point Likert scale, with response to categories used to measure each of the items in the various dimension from “negligible” (1) to “very high” (5).
The questionnaire was validated using the content validity technique. A total of five experts holding clinical administrative positions reviewed this questionnaire for appropriateness, usages of words, and item structure experts also examined whether each item was assigned to appropriate scale. The questionnaire was modified, incorporating the experts’ comments. The test-retest method (2 weeks apart) was used for the stability reliability analyses. A total of 10 full-time nurses from the same ward participated in this reliability test. The test-retest correlation coefficients on items ranged from 0.81 to 0.96. In this way the questionnaire was valid and reliable for this study.

1.6.6 Pilot Study

It was necessary to translate the instrument into Persian, because numerous nurses were competent in their native language. The Persian translation was performed by two bilingual people, then checked and revised for accuracy and clarity by a professional bilingual translator. Respondents were free to choose either the Persian or the English version.

Ten randomly chosen nurses were asked to participate in pilot study. Five nurses answered the Persian version, and five answered the English version. The test-retest reliability coefficient for job satisfaction questionnaire (Persian/ English) was 0.89 for two week period.

1.6.7 Ethics of research

Permission to conduct the research was received from Research Deputy of Ministry of Health and Medical Education of I.R. Iran, University research office (Tehran Province Universities), and from appropriate approval bodies of each hospital for protection of Human Subjects. The study was exempted from informed consent requirements because participation was voluntary and participant could not be identified. Anonymity and confidentiality of staff questionnaires and responses were protected by omitting names in questionnaires and through confidential management of the data set.
1.6.8 Selection of hospitals and nurses

In Iran there are total 738 hospitals. Out of which 139 hospitals are in Tehran province (table 1.1). This shows that Tehran has 1/5 approx. hospitals. Tehran is the capital of Iran and about 1/5 of the population of Iran is living in Tehran province alone. It has the same geographic, cultural, and traditional background, and the researcher for avoiding the bias problem chose the Tehran hospitals for this research.

Hospital size was divided into three groups based on the number of licensed beds stated on the hospital license at the end of the reporting period. Hospitals with 1-99 beds were categorized as small, 100-299 beds as medium, and 300 and more as large. The researcher had chosen general medium size hospitals for the study. Out of 139 hospitals, 106 hospitals belong to public and private sector (59 hospitals are public and 47 hospitals are private). The remaining 33 hospitals are in other categories. From 106 hospitals, 34 are public hospitals and 26 are private hospitals in the medium size group. The remaining 46 hospitals are in the group less than 100 beds, or 300 and more than 300 beds. Out of 34 hospitals in public sector, 15 hospitals are General and 19 hospitals are Special, and out of 26 hospitals in private sector, 23 hospitals are General and 3 hospitals are Special. The researcher has further chosen 10 hospitals from 38 hospitals (15 public and 23 private) randomly (table1.2). Out of these 10 hospitals, 5 hospitals are public and 5 hospitals are private. Four hundred nurses were also selected randomly (40 nurses from each hospital). These selections of hospitals and nurses strived to create a sample that included homogenous hospitals and nurse groups while representing the majority of target population.

Table 1.1: Types and number of hospitals in Iran and Tehran

<table>
<thead>
<tr>
<th>Hospitals</th>
<th>Government</th>
<th>Private</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iran</td>
<td>492</td>
<td>124</td>
<td>122</td>
<td>738</td>
</tr>
<tr>
<td>Tehran</td>
<td>59</td>
<td>47</td>
<td>33</td>
<td>139</td>
</tr>
</tbody>
</table>

Table 1.2: Bed wise No. composition of hospitals

<table>
<thead>
<tr>
<th>Type of hospitals</th>
<th>Public /government</th>
<th>Private</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Beds</td>
<td>General Special</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1-99 beds</td>
<td>6</td>
<td>2</td>
<td>13</td>
</tr>
<tr>
<td>100-299 beds</td>
<td><strong>15</strong></td>
<td><strong>19</strong></td>
<td><strong>23</strong></td>
</tr>
<tr>
<td>300+ beds</td>
<td>13</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>34</td>
<td>25</td>
<td>39</td>
</tr>
</tbody>
</table>
1.6.9 **Inclusion criteria**

The inclusion criteria for the nurses were a minimum of 6 months of nursing experience and they must have worked in their current hospitals for at least 6 months. The inclusion criteria for the hospitals were a medium size hospital (100-299 beds) and they must be in general hospitals categories.

1.6.10 **Data analysis**

Data were analyzed using Statistical Program for the Social Science (SPSS 12.0) for windows. Data were coded and entered into personal computer for analysis. Descriptive statistics were used for data checking and correction. Frequency distribution and measures of central tendency and variances were assessed for the relevant continuous variables. Demographic variables were examined for relationship with values about study’s independent variable (age group---) and dependent variable (job satisfaction). Pearson’s chi-square, parametric and non-parametric analysis were used in this study. Alpha was set at \( p \leq 0.05 \) for all data analyses unless otherwise indicated.

1.6.11 **Limitation of the research**

Every researcher, while doing his Ph.D. thesis, has to face several limitations. Some limitations can be controlled and some limitations are out of control of the researcher. In this particular study the researcher had some limitations as follows:

1) The researcher chose only medium size general hospitals for his thesis, and all results related to public and private hospitals.

2) During the completion of thesis, the researcher found that there were some challenges regarding nurses with the government about salaries, benefits, and other facilities. The nurses protested on this issue, and this may have caused some problems for filling the questionnaire with negative attitude of nursing job and HRM practices. This point was out of his control.

3) The results were only highlighted during the research period.
Reference


7- Syeed Amin Tabish (2005) Hospital and Health Services Administration Principles and Practice, Second impression, Oxford University Press, New Delhi, India, Pp. 3-4


15- Ibid
36. Ibid