Theoretical Framework of the Study and Overview of Hospital Industry
CHAPTER III
THEORETICAL FRAMEWORK OF THE STUDY AND OVERVIEW OF HOSPITAL INDUSTRY

3.1 ORGANIZATIONAL CLIMATE

3.1.1 INTRODUCTION

Organizational Climate is a meaningful construct with significant implications for understanding human behaviour in organizations (Allen, 2003). This is evident from all the research conducted and published on the role and value of organizational climate in organizations and its impact on various organizational outcomes over the past 50 years, Lawler & Weick, (1970).

A number of definitions of organizational climate have been formulated in the various studies on the concept (Forehand & Gilmer, 1964) and although a precise and unitary definition of climate does not exist, researchers agree that certain characteristics describe the construct and differentiate it from other concepts. These characteristics are as follows:

- Climate is generally considered to be a molar construct that can change over time.
- It is perceived by and shared among organizational members, which can result in consensus among individuals.
- It consists of global impressions of the organization that members form through interacting with each other and organizational policies, structures and processes.
- Climate perceptions are descriptions of environmental events and conditions rather than evaluations of them.
- The climate construct is multidimensional.
- It refers to the ‘feeling of an organization’.
- Climate can potentially influence an individual’s behaviour.

According to Gerber (2003) Organizational climate is defined as the shared perceptions, feelings and attitudes that organizational members have about the
fundamental elements of the organization, which reflect the established norms, values and attitudes of the organization’s culture and influences individuals’ behaviour positively or negatively. Moran and Volkwein (1992)

Organizational climate has a long history in industrial and organizational psychology and organizational behaviour. However, Kurt Lewin was the first researcher to study the concept and argued that behaviour is a function of the person and the environment (Litwin & Stringer, 1968).

The study of organizational climate gathered momentum in the late 1970s with a focus on integrating climate research into the broader field of organizational studies and distinguishing climate from similar topics such as satisfaction and organizational structure.

According to Moran and Volkwein (1992), understanding how climates are formed became important, because it was believed that it would provide a deeper comprehension of the concept and lead to further conceptual and methodological progress. Initially, organizational climate was viewed as an objective construct consisting of organizational attributes such as an organization’s size, structure and policies. It is these actual conditions that play a primary role in determining people’s attitudes, values and perceptions of organizational events. This approach, however, is criticized and its validity questioned, because it does not consider the individual’s perception of organizational attributes.

Contrary to the structural approach, the perceptual approach postulates that individuals are influenced by their perceptions of, or the psychological meaning they attach to, organizational characteristics. Hence, this approach can be seen as ‘personality’, in the sense that climate is an individual perception (Schneider, 1975). Criticisms of this approach are, firstly, that the primary source of climate is placed mainly within individuals, thereby negating the possibility of a composition theory. Hence it cannot be seen as an organizational attribute. A second criticism is that it assumes meaning as something that individuals bring to, and force on, organizational processes and events rather than as a result of the interaction between organizational members (Moran & Volkwein, 1992).
The interactive approach builds on the aforementioned approaches and combines the objectivism of the structural approach and the subjectivism of the perceptual approach (Ashforth, 1985). The underlying assumption of the interactive approach is that organizational climate is the result of the interaction of individuals in response to their situation, which results in the shared agreement of organizational members (Moran & Volkwein, 1992). This approach provides a link between the structural and the perceptual approaches because it acknowledges that meaning is formed when the individual intentionally interacts with objects and people because it provides meaning for him or her.

The approaches discussed above fail to take into consideration the influence that organizational culture has on the perceptions of individuals and on how they interact with one another.

The final approach is referred to as the cultural approach. This approach does not focus on the formal properties of organizations, nor does it concern itself with the subjective psychological characteristics of the individual and how that individual combines these two approaches. According to the cultural approach, organizational climate is shaped by individuals within a group who interact and share the same abstract frame of reference, organizational culture, as they learn to deal with the organization’s demands (Moran & Volkwein, 1992). This approach emphasizes the interaction of individuals as a source of climate, a view it shares with the interactive approach above. However, the cultural approach includes the role of organizational culture as a key factor in the development of organizational climate.

**Figure 3.1**

**Climate and its Influences**

- Motivation
- Performance
- Satisfaction
3.1.2 LEVELS OF CLIMATE

The definitions of climate by various researchers posit the idea that climate exists at three different levels. James and Jones (1974) differentiate between organizational climate and psychological climate, with the former term being recommended when climate is regarded as an organizational attribute and the latter when climate is considered to be an individual attribute. Psychological climate is therefore studied at the individual level of analysis, referring to individuals’ descriptions of the organization’s policies and processes, while organizational climate is measured by means of the average perceptions of organizational members, referring to a collective description of the same environment [Joyce & Slocum, (1982)].

Hellriegel and Slocum (1974) propose a group or subsystem climate and state that climate refers to a set of attributes that is perceived about an organization or its subsystems and that may be deduced from the way the organization or subsystem deals with its members and the environment. On the basis of this analysis, Field and Abelson (1982) postulate that climate has evolved from being considered solely an organizational attribute to an attribute that may be subsystem specific (group or individual). According to these authors, the distinguishing mark of climate, regardless of the level of analysis, is that it has enduring qualities, which can be measured, and influences the behaviour of organizational members.

3.1.3 ORGANIZATIONAL CLIMATE AND CULTURE

The concepts of organizational climate and organizational culture are often used interchangeably, with researchers in organizational studies treating the concepts as if they were identical. Organizational climate and organizational culture are similar concepts. Not only do they both describe the experiences of employees and assist us in understanding psychological phenomena in particular organizations but they also provide explanations regarding how organizations influence behaviour, attitudes and the well-being of individuals, why some organizations are more able to adapt to environmental changes and why some organizations are more successful than others [Glission & James, (2002)].

Organizational culture is based on anthropology sociology. Organisational climate is based on the Psychology. Culture is based on the history and traditions of the
organization. Climate refers to the current situations in organizations and linkage among teams, employees and performance. It is the feature of the organization experienced by the employees on daily basis and mostly it ignores values and norms. It is difficult to alter the organizational culture in short run. People learn and communicate what is acceptable and unacceptable in an organization through organizational culture. Organisational climate does not deal with values and norms. It is concerned with the current atmosphere in an organization.

Schneider (2000) succinctly summarizes the differences between these two concepts by highlighting that organizational climate describes events and experiences and represents the patterns of behaviour of employees, whereas culture is explored when individuals are asked why these patterns of shared values, common assumptions and beliefs exist. In the literature, culture is viewed as being more deeply rooted in the organization and is based on employees’ values, beliefs and assumptions. This is in contrast to organizational climate, which is a ‘snapshot’ of a particular time in an organization and is measured by a range of dimensions [Denison (1996)].

Organizational culture determines the way organizational members interact with each other and outsiders. It must be created and sustained to develop congenial environment in the organization. It has three basic elements artifacts, espoused values and basic assumptions. It is expressed in terms of norms, values, attitudes and beliefs shared by organizational members. Its major functions include sense of identity, enhancement of commitment and reinforcement of behaviour. It has stray impact on the performance of the organization. It is a descriptive study and not an evaluative study. It has both functional as well as dysfunctional aspects.

Organizational climate is a measure to perceive the organization by its members. It determines the employee attitude towards organizational life. It works on factors like job description, organizational structure, performance and evaluation standards, leadership styles, and challenge.

It provides system of shared meaning among members. Organizational climate must be created and sustained in a way that it can develop congenial environment in the organization. Organizational culture has basic elements of culture and they are artifacts,
spoused values and basic assumptions. Organizational culture is expressed in terms of norms, values, attitudes and beliefs shared by organizational members. Organizational culture has its major functions and they include sense of identity, enhancement of commitment and reinforcement of behavior some of the attention, outcome orientation, people orientation, team orientation, aggressiveness, stability, individual autonomy, structure, support, identity, performance, conflict tolerance, attitude towards change, focus, standards and values, openness, communication, supervision, and commitment.

Organizational climate and culture has strong impact on the performance of the organization. There are several factors that influence organizational culture that help in creation and sustaining of culture in an organization. It creates its impact on work place and so developing an ideal organizational culture that helps in smooth functioning of all members of the organization. An ideal and strong organizational culture can experience some barriers and they can be barriers to change.

Organizational culture is a descriptive study and not an evaluative study. It has its functional as well as its dysfunctional aspects. There are two factors that determine organizational culture and they are sociability and solidarity. These two dimensions yield four types of organizational culture. They are network culture, mecenary culture, fragmented culture and communal culture.

Organizational climate is a measure by which members perceive the organization. It consists of set of characteristics and factors that are perceived by the employees about their organization. It is like an indicator that determines the employee’s attitude towards organizational life. It serves as a major force in influencing employee’s behavior towards their organization.

Organizational climate works on some main factors and they are job description, organizational structure, performance and evaluation standards, leadership style, challenges and innovations, motivation, communication, goals, and control process. A healthy and effective organizational climate is expected to have characteristics that work in effectiveness of organizations. These characteristics primarily include the integration of organizational goals, flexible structure with nature of authority appropriate leadership, mutual trust, recognition of individual differences and attributes, attention to job design and quality of a work life.
Organizational culture tends to be shared by all or most members of some social group; is something that older members usually try to pass on to younger members; shapes behaviour and structures perceptions of the world. Cultures are often studied and understood at a national level, such as the American or French culture. Culture includes deeply-held values, beliefs and assumptions, symbols, heroes, and rituals. Culture can be examined at an organizational level as well. The main distinction between organizational and national culture is that people can choose to join a place of work, but are usually born into a national culture.

Organizational climate, on the other hand, is often defined as the recurring patterns of behaviour, attitudes and feelings that characterize life in the organization, while an organization culture tends to be deep and stable. Although culture and climate are related, climate often proves easier to assess and change. At an individual level of analysis the concept is called individual psychological climate. These individual perceptions are often aggregated or collected for analysis and understanding at the team or group level, or the divisional, functional, or overall organizational level.

There are two main models describing the relationship between climate and culture. The first and older model sees climate and culture as hierarchically equivalent and distinct. This tradition separates climate (employees’ evaluation of their work environment including structures, processes and events) from culture (a more subjective description of the fundamental values of an organization; [Denison, 1996; Meyerson, 1991; Schnieder & Snyder, 1975]). This separation reflects the differing historical development of these constructs, with climate developed largely by organizational psychologists and culture developed through anthropology and sociology.

Increasingly though, with the advent of management science as a new and separate research domain, culture is being seen as an overarching construct, within which climate is a subset. Researchers such as Hofstede (2003), Schein (2004) and Rousseau (1990) have described culture at different levels. While the number of levels varies (Hofstede has two, Schein has three and Rousseau has five) they can all be broadly seen as differentiating values and practices (which are indeed Hofstede’s two levels). Values, in this sense, are seen as fundamental, often unconscious, ways of understanding and
evaluating the world. Practices, in turn, are seen as the tangible and observable behaviours and practices. In this model, climate can be equated with the measurement of employee’s description and evaluation of workplace practices. As such, climate is treated as a subset of culture, in the same way that values are regarded as a subset of culture.

Simply put, Organizational climate is what the employee sees, and in turn what forms their beliefs, expectations and values about the organization. These underlying aspects of a firm may not even be consciously realized, but are apparent in the day-to-day functionality of the firm. In a firm transitioning its culture if they follow certain plans they can be more successful. It can be better demonstrated with the home model. The organization must have a sense of history, create a sense of oneness/uniformity, promote a sense of membership and facilitate exchange of ideas among members. These tasks help make a more cohesive culture where a more positive outcome may arise.

Organizational Climate is the physical nature of the organization. For example it would be hard to have a high self-image if the business was in dilapidated offices or if the CEO was dressed like a bum. This is true of employees as well as employers. A customer can feel the climate of a business just by walking in. Some retail stores are standoffish or very friendly. A great example is in apple retail store. It’s designed to be light, airy and open. The people are generally friendly and helpful and promote a positive climate. It makes the customer feel like they want to stay longer and learn and ultimately buy.

3.1.4 ORGANIZATIONAL CLIMATE DIMENSIONS

It is clear that definitions and approaches to organizational climate are diverse. In the literature, it is evident that the same applies to the dimensions and measurement of organizational climate because various researchers use a wide variety of dimensions to assess organizational climate (Davidson, 2000). Although many dimensions have been identified (e.g. Campbell et al., 1970; Jones & James; 1979; Litwin & Stringer, 1968), this research utilized dimensions that were developed specifically for this study. Comparisons were drawn between these dimensions and those of Coetsee (cited in Gerber, 2003), Tustin (1993) and Wiley and Brooks (2000), and there is a great deal of overlap among the models. The dimensions of this study compare well with those of other models and provide an encompassing construct of organisational climate.
Work Environment

The work place is the physical location where someone works. Such a place can range from a home office to a large office building. The workplace is one of the most important social spaces other than the home, constituting "a central concept for several entities: the worker and his/her family, the employing organization, the customers of the organization, and the society as a whole". The development of new communication technologies have led to the development of the virtual work place, a workplace that is not located in any one physical space.

Teamwork

Teamwork is the process of working with a group of people in order to achieve a goal. Teamwork is often a crucial part of a business, as it is often necessary for colleagues to work well together, trying their best in any circumstance. Teamwork means that people will try to cooperate, using their individual skills and providing constructive feedback despite personal conflict between individuals.

Autonomy

A degree or level of freedom and discretion allowed to an employee over his or her job. As a general rule, jobs with high degree of autonomy engender a sense of responsibility and greater job satisfaction in the employees. Not every employee, however, prefers a job with high degree of responsibility.

Involvement

Human resource management is a function in organizations designed to maximize employee performance in service of their employer’s strategic objectives. HR is primarily concerned with how people are managed within organizations, focusing on policies and systems. HR departments and units in organizations are typically responsible for a number of activities, including employee recruitment, training and development, Performance appraisal, and rewarding (e.g., managing pay and benefit systems). HR is also concerned with industrial relations, that is, the balancing of organizational practices with regulations arising from collective bargaining and governmental laws.
Training

Training is a function of human resource Management concerned with organizational activity aimed at bettering the performance of individuals and groups in organizational settings. It has been known by several names, including "human resource development", and "learning and development".

Innovation

Innovation processes can either be pushed or pulled through development. A pushed process is based on existing or newly invented technology, that the organization has access to, and tries to find profitable applications to use this technology. A pulled process tries to find areas where customer’s needs are not met, and then focus development efforts to find solutions to those needs. To succeed with either method, an understanding of both the market and the technical problems are needed. By creating multi-functional development teams, containing engineers and marketers, both dimensions can be solved. The lifetime of new products is steadily getting shorter; increased competition therefore forces companies reduce the time to market. Innovation managers must therefore decrease development time, without sacrificing quality or meeting the needs of the market.

Commitment

Organizational commitment can be contrasted with other work-related attitudes, such as Job satisfaction defined as an employee's feelings about their job, and Organizational identification defined as the degree to which an employee experiences a 'sense of oneness' with their organization. Organizational scientists have also developed many nuanced definitions of organizational commitment, and numerous scales to measure them. Exemplary of this work is Meyer and Allen's model of commitment, which was developed to integrate numerous definitions of commitment that had been proliferated in the literature. Meyer and Allen's model has also been critiqued because the model is not consistent with empirical findings. There has also been debate surrounding what Meyers and Allen's model was trying to achieve.
3.1.5 TECHNIQUES FOR IMPROVING ORGANISATIONAL CLIMATE

The following techniques may be helpful in improving the organisational climate:

(i) Open Communication: There should be two-way communication in the organisation so that the employees know what is going on and react to it. The management can modify its decisions on the basis of employees’ reactions.

(ii) Concern for People: The management should show concern for the workers. It should work for their welfare and improvement of working conditions. It should also be interested in human resource development.

(iii) Participative Decision-making: The employees should be involved in goal setting and taking decisions influencing their lot. They will feel committed to the organisation and show cooperative attitude.

(iv) Change in Policies: The management can influence organisation climate by changing policies, procedures and rules. This may take time, but the change is long lasting if the workers see the change in policies procedures and rules as favorable to them.

(v) Technological Changes: It is often said that workers resist changes. But where technological changes will improve the working conditions of the employees, the change is easily accepted. There will be a better climate if the management adopts improved methods of work in consultation with the employees.

3.1.6 JOB SATISFACTION

According to Cranny, Smith and Stone (1992), job satisfaction can be defined as an affective or emotional reaction that an employee has towards a job that is the result of his or her comparison of actual outcomes with expected or deserved outcomes. Job satisfaction has also been defined in terms of attitudes that individuals have towards their jobs (Weiss, 2002). Schneider and Snyder (1975) define job satisfaction as a personal evaluation of the current conditions of the job or the outcomes that arise as a result of having a job.

Sempane, Rieger and Roodt (2002) appear to agree with this definition, stating that job satisfaction refers to the individual’s perception and evaluation of the job. According to these authors, the individual’s perception is influenced by his or her unique
circumstances such as needs, values and expectations. Therefore, jobs are evaluated by people on the basis of factors that are important to them. Although the definitions of job satisfaction are varied, it is generally considered to be an attitude or feeling that one has about one’s job that is either positive or negative.

According to Locke (1976), for researchers to have a clear understanding of job attitudes, they need to know the various factors that have an influence in the job. Research indicates that these factors can be divided into two distinct dimensions, namely extrinsic and intrinsic (Buitendach & De Witte, 2005).

Extrinsic dimensions form part of the job situation, are influenced by others and are beyond the employee’s control (Lawler, 1976). Examples are factors such as the work itself, pay, promotion opportunities, working conditions, supervision and co-workers. Intrinsic rewards are self-regulated and a direct result of the individual’s performance. Lawler (1976) explains that intrinsic rewards satisfy higher-order needs, for example feelings of accomplishment and achievement and the satisfaction of utilising one’s skills and abilities. Robbins, Odendaal and Roodt (2003) point out that intrinsic factors, such as advancement, recognition, responsibility and achievement, appear to be related to job satisfaction.

Job satisfaction can be measured in two ways – namely, by the facet approach or the global approach. The former refers to assessing how employees feel about various aspects of the job such as rewards (pay or fringe benefits), job conditions, people on the job (supervisors and co-workers) and the work itself (Robbins, 1998; Spector, 2005). The latter approach measures job satisfaction by directly asking individuals how they generally feel about their jobs (Fincham & Rhodes, 2005; Robbins et al., 2003; Spector, 2005).

This study defined job satisfaction as the feeling individuals have about their jobs. Hence this research was concerned with measuring the affective aspect of job satisfaction using the global approach.

3.1.7 IMPACT OF JOB SATISFACTION

Job satisfaction has a positive impact on productivity, presence and performance. Satisfied employees like to perform more willingly and happily which increases the productivity. Job satisfaction includes employees to retain with the organizations.
The behavior of the employee is improved when he works with satisfaction. Job satisfaction is seen more in higher level of employees with increase in productivity and performance. Job satisfaction is visible in the lower cadre of employees also. The turnover is increased with satisfied employees and satisfied sales force. Market conditions, job opportunities, length of work tenures, promotional policies along with satisfied sales force will increase the sales.

Dissatisfied employees prefer the channels of exit or neutral productivity. They do not like to work hard or demonstrate their capacities. They continue to work as routine and uninterested persons. If they are pressurised to resort to unhealthy and disinterested jobs, they prefer to leave the job. Loyalty declines and criticism of the organization increases. Ultimately the image of the organization suffers a lot.

3.1.8 HERZBERGS TWO FACTOR THEORY OF JOB SATISFACTION

1. JOB SATISFACTION

- Motivators
  - Work itself
  - Advancement
  - Growth
  - Recognition
  - Responsibility
  - Achievement

2. JOB DISSATISFACTION

- Hygiene Factors
  - Supervision
  - Salary
  - Job Security
  - Company Policies
3.1.9 THE EFFECTS OF LOW JOB SATISFACTION

The effects of low job satisfaction can be far-reaching and this issue is of concern for small business owners as well as large companies. If employees are not happy with their jobs, several areas of their work are affected and their behavior can also affect other employees. A study published by the "International Archives of Occupational and Environmental Health" found that workers who report low job satisfaction experienced several other issues at work as a side effect.

**Job Stress**

When employees are not happy with their jobs, they are much more likely to experience and report stress on the job. Workers who are satisfied or happy at work are much less likely to report feeling stressed out by their job. This is basic human nature -- if you are not doing something you enjoy, chances are you are going to feel dissatisfied and even little things will make you feel stressed out and unhappy.

**Poor Overall Morale**

When one employee is miserable doing their job, all of the other employees they come into contact with are going to be affected by their attitude. If they see someone who is so obviously miserable, it will begin to color how they view their own jobs. Negative attitudes can spread through a workplace like wildfire and, if they are not improved, the overall morale of the employees will take a sharp decline.

**Lack of Productivity**

Low job satisfaction, coupled with low employee morale equals a lack of productivity in the workplace. Again, we have basic human nature at work. When someone is unhappy, they don't focus well and they don't pay attention to their tasks. They find hundreds of other things to do that do make them happy, all the while ignoring
the job they should be doing. When one member of a team displays low productivity, it is only natural for other members of the team to feel dissatisfied as a result, and their productivity will begin to decline as well. It is a vicious cycle that is all too common.

**High Employee Turnover Rates**

Low job satisfaction also creates high turnover rates with employees. Sooner or later, the employee is going to quit so that they can find a job they actually enjoy doing. Many industries such as food service suffer from high turnover rates and the inability to retain qualified workers. It is up to small business owners and managers to find a way to increase job satisfaction, particularly in difficult industries in which the jobs are tough and the pay is low.

**3.1.10 JOB SATISFACTION DIMENSIONS**

**Extrinsic Rewards**

Reward management consists of analyzing and controlling employee remuneration and all of the other benefits for the employees. Reward management aims to create and efficiently operate a reward structure for an organization. Reward structure usually consists of pay policy and practices, salary and payroll administration, total reward, minimum wage, executive pay and team reward.

- **Extrinsic rewards:** concrete rewards that employee receives.
  - **Bonuses:** Usually annually, Bonuses motivate the employee to put in all endeavours and efforts during the year to achieve more than a satisfactory appraisal that increases the chance of earning several salaries as lump sum. The scheme of bonuses varies within organizations; some organizations ensure fixed bonuses which eliminate the element of asymmetric information, conversely, other organizations deal with bonuses in terms of performance which is subjective and may develop some sort of bias which may discourage employees and create setback. Therefore, managers must be extra cautious and unbiased.
  - **Salary raise:** Is achieved after hard work and effort of employees, attaining and acquiring new skills or academic certificates and as appreciation for employees duty (yearly increments) in an organization. This type of reward is beneficial for
the reason that it motivates employees in developing their skills and competence which is also an investment for the organization due to increased productivity and performance. This type of reward offers long-term satisfaction to employees. Nevertheless, managers must also be fair and equal with employees serving the organization and eliminate the possibility of adverse selection where some employees can be treated superior or inferior to others.

- **Gifts**: Are considered short-term. Mainly presented as a token of appreciation for an achievement or obtaining an organization's desired goal. Any employee would appreciate a tangible matter that boosts their self-esteem for the reason of recognition and appreciation from the management. This type of reward basically provides a clear vision of the employee’s correct path and motivates employee into stabilizing or increasing their efforts to achieve higher returns and attainments.

- **Promotion**: Quite similar to the former type of reward. Promotions tend to effect the long-term satisfaction of employees. This can be done by elevating the employee to a higher stage and offering a title with increased accountability and responsibility due to employee efforts, behaviour and period serving a specific organization. This type of reward is vital for the main reason of redundancy and routine. The employee is motivated in this type of reward to contribute all his efforts in order to gain management's trust and acquire their delegation and responsibility. The issue revolved around promotion is adverse selection and managers must be fair and reasonable in promoting their employees.

**Work Balance**

Most recently, there has been a shift in the workplace as a result of advances in technology. As Bowswell and Olson-Buchanan stated, "increasingly sophisticated and affordable technologies have made it more feasible for employees to keep contact with work". Employees have many methods, such as emails, computers, and cell phones, which enable them to accomplish their work beyond the physical boundaries of their office. Employees may respond to an email or a voice mail after-hours or during the weekend, typically while not officially "on the job". Researchers have found that
employees who consider their work roles to be an important component of their identities will be more likely to apply these communication technologies to work while in their non-work domain. Some theorists suggest that this blurred boundary of work and life is a result of technological control. Technological control "emerges from the physical technology of an organization". In other words, companies use email and distribute smartphones to enable and encourage their employees to stay connected to the business even when they are not in the office. This type of control, as Barker argues, replaces the more direct, authoritarian control, or simple control, such as managers and bosses. As a result, communication technologies in the temporal and structural aspects of work have changed, defining a "new workplace" in which employees are more connected to the jobs beyond the boundaries of the traditional workday and workplace. The more this boundary is blurred, the higher work-to-life conflict is self-reported by employees.

**Stress/Workload**

Workload can also refer to the total energy output of a system, particularly of a person or animal performing a strenuous task over time. In these and related uses of the word, "workload" can be broken up into "work + load", referring to the work done with a given load. In terms of weights training, the "load" refers to the heaviness of the weight being lifted.

**Responsibility**

The role of the Human resource Management is to deal with management of people within an organization. The Department is responsible for hiring members of staff and ensuring that they perform to expectation. HR department is also responsible for organization of people in the whole company and planning of future ventures that involves people in the company.

**Security**

Most of past studies had shown that the industrial employee wants “steady work”. Although in the recent studies security ranks low in order of importance, perhaps because time has since changed. During the early thirties of this country, due to economic depression, security of job was more important than either higher pay or advancement. It is not enough for a man to have his basic needs like hunger etc. satisfied for the present only; he would like to make it sure that he will be able to satisfy these needs in future also.
In recent years, automation and other economic changes have brought unemployment to many who once thought that their job was secured. Older men and those with limited education or outmoded skill found it difficult to get steady job again. Job security has become one of the major factors of job satisfaction. This is the reason why every employee seeks to obtain total security against all forms of income interruptions. The importance of security varies with marital status and number of dependents. It seems quite logical that a man, who has other dependents on him for support, would feel the need for security more than single person. Security is of less importance to the better educated person, perhaps the chances of his retrenchment is low or he is confident of being able to find other jobs, if necessary easily.

**Opportunity for advancement**

In most studies it was observed that opportunity for advancement expect for a well-paid company, consistently ranks above average in importance among workers. One study found that this factor was most important to sales, clerical and skilled worker. Another study revealed that older workers were less interested in advancement than younger ones, perhaps because a man does most of his advancing in his earlier years and settles down in his last twenty years of working.

**Working conditions**

Most of the studies have revealed the working condition varying in importance from second to ninth position. These seems to be tendency for working conditions to be ranked lower, perhaps because they have been improved. It seems to be plausible that the prestige value attached to the white-collared occupation is the result of more desirable conditions of work.

**Co-worker**

Colleagues/associates working in the same place have frequently been mentioned as an important factor in job satisfaction. Certainly this seems reasonable, because people like to be nearer to their friends and would like to have an amicable atmosphere in their work place. The ranking of this factor in various studies have indicated that this is of intermediate importance.
Responsibility

Responsibility is usually enmeshed with several other important determinants of job satisfaction in a way that makes it difficult to determine the relative contribution of each to job satisfaction. Responsibility usually goes with time on the job, age, salary, type of work and participation and it may have some relation to interest of the individual. One study covering employees all over USA showed that morale scores were higher for employees who had more responsibility. Unemployed persons rated responsibility as one of a few things that had borne a characteristic of the job they had preferred. In neither of the study nor as a matter of fact, has the effect of responsibility on job satisfaction been separated clearly from the other important influences mentioned earlier.

Supervision

A supervisor is responsible for the day-to-day performance of a small group. It may be a team, or a shift. The supervisor has experience in what the group does, but is not necessarily better at it than every-one he/she supervises. The supervisor’s job is to guide the group toward its goals, see that all members of the team are productive, and resolve problems as they arise. The favourable attitude of employees towards their supervisor was believed to produce a climate in which attitudes of good team spirit were established.

Supervision was judged to be the most important single factor in determining employees morale scores in a series of investigations, wherein comparisons were made of morale scores of groups of employees who had different supervisors. This conclusion is also supported by a study on thousand workers. Eight to twelve most frequently mentioned items which are important to workers, could be traced to supervision. These are:

1. Receiving necessary help to get the expected results.
2. Being able to find out whether work is improving.
3. Reasonable certainty of being able to get pleasant hearing and a fair deal in case of grievances.
4. Encouragement to seek advice in difficult problems.
5. Being given reasons for changes which are ordered in work.
6. Not being hampered in work by supervisor.

7. Not getting contradictory/conflicting orders.

8. Being given to understand completely the results which are expected in a job

Supervision is, without question, one of the most important factors related to job
satisfaction.

**Downward flow of information**

Several studies have indicated that there is a great desire in employees for seeking
information from management. They would like to know about the company’s plan,
processes and about their own career and future prospects. Very few employees
feel/believe that they are getting more information than they want.

**Understanding of employees attitudes by executives and labour leaders**

One study found that neither executives nor labour leaders had very accurate
understanding of employee’s attitude. Employees in six companies ranked the factors,
most important to them in their job. Fifty executives in the same company and forty-two
leaders predicted what the employees ranking would be.

**Increasing Job Satisfaction**

(A) Personal factors: Management cannot change the personal factors of employees.
   It should, however, appreciate the role of personal factors in job satisfaction.
   It should place workers in a place where the personal factors of the individual will
   aid him in achieving job satisfaction.

(B) Factors inherent in the job: In building a plant, a company should consider the role of
   location in job satisfaction. Similarly planning for expansion, job satisfaction should be
   considered in relation to the desirability of building one large plant or two small ones.
   In laying out the manufacture of a product management should consider how to make
   the workless routine and if possible, raise the occupational status of the workers.
   Several attempts have been made to accomplish this, with mixed success.

(C) Factors controllable by management: These factors are the most important ones for
   management to watch, for they contribute to the most of the differences between a
well satisfied group of employees and one whose collective morale is very low.
Since security is most important to most workers, management should lay more
stress on this, to the extent financially feasible. If the management were to give pay
at the same rate as prevailing in that area for comparable jobs elsewhere, but spend
more money for pension plans, leveling of seasonable peaks and troughs job
satisfaction would be much higher.

Promotional policies have been under fire from unions because it was suspected
that companies were not fair in selecting employees for advancement. Workers should be
assured that promotions will be on the basis of seniority-cum-merit and no foul play
would be played. Management should recognize that the people generally like to work
with others of similar background and would like to choose their associates. If there are
no sound reasons for refusal, requests for transfer should be approved.

Adequate training of supervisors to make them capable democratic leaders is of utmost
importance. Few, if any, organizations are guilty of giving too much information to their
employees. As pointed out earlier, the workers want to know about their work situation,
company policies and its products etc. The service of giving this information is quite cheap; its
result in making better employees and citizens is great. The workers do not want the
information by way of grapevine; if possible, they would like to know these from supervisors
in person. Information obtained through the grapevine is often erroneous and detrimental to the
company, whereas correct information from supervisor will help the company in the long run.

In discussing the factors related to job satisfaction, the stability of attitudes needs
to be recognized. When an organization’s employees are dissatisfied even after many of
the factors involved are corrected, apparently the attitudes have not stabilized. It is,
therefore, necessary to be more diligent in such situations.

3.1.11 ORGANIZATIONAL CLIMATE AND JOB SATISFACTION

There are numerous studies investigating the relationship between organizational
climate and job satisfaction, with many researchers finding evidence to support the
relationship between the two constructs (Field & Abelson, 1982; Friedlander &
Margulies, 1969; LaFollette & Sims, 1975; Litwin & Stringer, 1968; Pritchard &
Karasick, 1973; Schneider & Snyder, 1975).
In a review of studies investigating organizational climate and job satisfaction, Peek (2003) found that organizational climates that exhibit characteristics such as having a high degree of autonomy, providing opportunities for employees, nurturing relationships among employees, showing interest in and concern for their employees, recognizing employees’ accomplishments and holding employees in high regard result in more satisfied workers. Similarly, Brief (1998) found that salary, benefits and advancement opportunities were components of organizational climate that had a direct influence on job satisfaction.

In summary, organizational climate and job satisfaction are distinct but related constructs (Al-Shammari, 1992; Keuter, Byrne, Voell & Larson, 2000). Organizational climate is focused on organizational/institutional attributes as perceived by organizational members, while job satisfaction addresses perceptions and attitudes that people have towards and exhibit about their work.

**Figure 3.2**

Organizational climate and job satisfaction

Although a recent study conducted in a South African call centre found job satisfaction to be strongly correlated to organizational climate (Fisher, Milner & Chandraprakash, 2007), studies investigating the relationship between organizational
climate and job satisfaction are less frequent in the literature today, especially in South Africa. A possible explanation could be that studies tend to focus more on organizational culture (Sempane et al., 2002).

All organizations operate within an internal and an external environment. Technology provides resources; structure defines the formal relationship of people in organization and both internal and external environment as well as influences the attitudes of people.

How to get ‘people’ involved and motivated for excellence at work? The key to effective work performance is in understanding what domains of work are important for job satisfaction among clinicians.

The job satisfaction of an employee is a topic that has received considerable attention by researchers and managers alike. The most important information to have regarding an employee in an organization is a validated measure of his or her level of job satisfaction (Roznowski and Hulin 1992). Thus, it is fruitful to say that managers, supervisors, human resource specialists, employees, and citizens in general are concerned with ways of improving job satisfaction.

The foundation of job satisfaction theory was introduced by Maslow with a five-stage hierarchy of human needs, now recognized as the deprivation/gratification proposition. However, much of the job satisfaction research has focused on employees in the private sector.

The motivation to investigate the degree of job satisfaction arises from the fact that a better understanding of employee satisfaction is desirable to achieve a higher level of motivation that is directly associated with patient satisfaction.

Offering the highest quality of health-care services possible to as many people who need them, within a given environment of social, material, financial, and human resources is the main goal of health-care systems and of every single health-care organization or unit within an organization. Achieving this goal requires a committed and high-quality workforce in health-care organizations. Due to the anticipated significant impact of human resources management on the quality of services and its increasing
coverage in formalized quality systems, it is essential that a health-care establishment pays attention to the quality of human resources in early stages of development of a quality system. Attending to job satisfaction of staff is then a fundamental component of human resources quality. In particular, many researchers have demonstrated strong positive correlations between job satisfaction of medical staff and patient satisfaction with the services in these health-care settings.

Organizations’ efficiency depends to a large extent on the morale of its employee. Behavioural and social science research suggests that job satisfaction and job performance are correlated. Job satisfaction and morale among medical practitioners is a current concern worldwide. Poor job satisfaction leads to increased physician turnover, adversely affecting medical care job satisfaction. Consequently, by creating an environment that promotes job satisfaction, a health-care manager can develop employees who are motivated, productive, and fulfilled. This in turn will contribute to higher quality patient care and patient satisfaction.

Schermerhorn defines job satisfaction as the degree to which individuals feel positive or negative about their jobs. It is an attitude or emotional response to one's tasks as well as to the physical and social conditions of the workplace. Job satisfaction is motivational and leads to positive employment relationships and high levels of individual job performance.

According to Locke and Hanne, the definition could be ‘the pleasant emotional state which flows from someone realizing his or her motives (values) in the work. Job satisfaction is simply how people feel about their jobs and different aspects of their jobs. It is the extent to which people like (satisfaction) or dislike (dissatisfaction) their job. As it is generally assessed, job satisfaction is an attitudinal variable.

Job satisfaction can be considered as a global feeling about the job or as a related constellation of attitudes about various aspects or facets of the job. The global approach and the facet approach can be used to get a complete picture of employees’ job satisfaction. According to Werner, job satisfaction has five facets, which can be put together to measure a job descriptive index (JDI) as follows:
The work itself – responsibility, interest, and growth
Quality of supervision – technical help and social support
Relationships with co-workers – social harmony and respect
Promotion opportunities – chances for further advancement
Pay – adequacy of pay and perceived equity vis-à-vis other

Research tends to divide the characteristics of work into two broad categories: extrinsic variables and intrinsic variables. In 1957, Herzberg et al. made the distinction between the intrinsic rewards from the job and the extrinsic rewards from the job. The intrinsic factors refer to a job's inherent features – people's affective reactions to features integral to the work itself. The extrinsic work factors focus on issues that are external to the job itself, such as pay. The distinction between intrinsic and extrinsic work factors, rewards, motives, needs, etc., remains to be a useful tool in studies of many researchers.

There are important reasons why the researcher should be concerned with job satisfaction. The first is that people deserve to be treated fairly and with respect. Job satisfaction is to some extent a reflection of good treatment. It can also be considered as an indicator of emotional well-being or physiological health. The second reason is that job satisfaction can lead to behavior of employees that affects organizational functioning. Furthermore, job satisfaction can be a reflection of organizational functioning. Differences among organizational units in job satisfaction can be diagnostic of potential trouble spots.

Dissatisfied workers are more likely to provide inferior services and the physical and mental status and the social functioning of these workers can be affected substantially by the level of their job satisfaction.

However, as Schermerhorn points out, job satisfaction alone is not a consistent predictor of individual work performance.

3.1.12 IMPORTANCE OF JOB SATISFACTION IN HEALTH CARE INDUSTRY

Hospital personnel have difficulties in meeting the needs of their patients if their own needs are not met. Therefore, hospital managers have responsibilities to both staff and patients.
According to the literature, job satisfaction in health-care organizations is related to many factors: optimal work arrangements; the possibility to participate actively in the decision-making process; effective communication among staff and supervisors; and to be able to express freely one's opinion. Collective problem-solving and the attitude of management are also important to the satisfaction of the employees.

Job satisfaction can be increased by attending to motivating factors, such as making work more interesting, requiring more initiative, creativity, and planning. This is especially relevant when budget constraints limit increases to pay and benefits.

Managers who grasp the importance of factors affecting the well-being of staff are more likely to gain improved performance from the various groups of hospital staff. It is of utmost importance to seek the opinions of employees and include them in decision-making and problem-solving processes. This will improve satisfaction among the employees and make them feel that they are part of the organization.

3.2 OVERVIEW OF HOSPITAL INDUSTRY

3.2.1 INTRODUCTION

Hospitals are an integral part of the medical and social infrastructure, providing the population with complete health care. Nowadays, with the corporatization of hospitals, it has not only remained the place for medical treatment, but has emerged as a sophisticated service industry in which the major players compete with each other in terms of types and number of services, extra facilities, speed of service, expert doctors and staff, and also the price. It is one of the prominent contributors to India’s GDP. It was earlier seen only as a social sector but now there is a move towards corporatization.

The Indian health care industry is worth Rs. 820,000 million today or roughly 4 per cent of the country’s GDP. In view of economic liberalization, there is a likelihood of a boom in corporate hospitals and other associated activities in the economy, which will result in increased competition among corporate hospitals. With global revenues of approximately US$ 2.8 trillion, the health care industry is the world’s largest industry and India is emerging as a major player because of its high population. A WHO report states that India needs to add 80,000 hospital beds each year to meet the demand of its population. The huge shortage of beds outlines a major opportunity for the industry.
The Indian health care Industry is going through a transition and the future is likely to see significant changes in the nature of provision of health care and the roles of various players in the industry. Hospitals are considered the focal points for health services delivery and consume nearly 30 per cent of the national health care budget. Lower cost is the main issue that weighs the balance heavily in favour of India. The cost-benefit advantage is phenomenal. An open-heart surgery could cost between $34,000 and $70,000 in the UK or the US, but in India it could cost between $3,000 and $10,000 in the best of hospitals. Health care cost differences, therefore, could be anywhere between 200 per cent and 800 per cent lower.

Privatization is the key to the resurgence of this sector. People have more confidence in their services compared to government-owned ones even though they are on an average 60 per cent more expensive. As per the Insurance Regulatory and Development Authority (IRDA), only 10 per cent of the market potential has been tapped till date and market studies indicate a 35 per cent growth in the coming years. A big opportunity emerges from the privatization of the insurance segment, which would extrapolate into a new delivery system in India. There is a vast insurable population in India, given that only 2 million people, that is, 0.2 per cent of the total population, are covered by medical insurance.

- The Healthcare Sector comprises of
  - Hospitals
  - Diagnostics
  - Pathology
  - Equipment and Supplies
  - Medical Tourism
  - Telemedicine, etc

- India has become an attractive destination for
  - Medical Tourism
  - Clinical Studies
  - Research and Development Programmes
Nursing services form an integral part of any hospital. Nursing is both art and science and it’s a profession that calls for commitment, maturity (emotional) and an ability to access and synthesize information quickly and correctly. The nursing staff acts as a bridge between doctor and patient. Nursing department works through nursing staff that is competent and humane in its functioning. The staff provides assistance to doctors to carry out treatments efficiently. The nursing staff works in operation theatre, intensive care unit, surgical intensive care unit, intensive cardiac care unit and outpatient wards and rooms. Normally nurse-patient ratio is maintained at 1:1 in ICU, ICCU and SICU while in other clinical wards it is headed with one head nurse with 30-35 nurses.

3.2.2 ASPECTS OF HOSPITAL SERVICES

Line Services

- **Emergency services**
  
  Diagnosis & treatment of illness of an urgent nature & injuries from accidents

- **Out-patient services**
  
  Provision of diagnostic, curative, preventive and rehabilitative services
In-patient services (Wards)

Inpatient care is the care of patients whose condition requires admission to a hospital.

Intensive care unit

Those who need Acute, multidisciplinary and intensive observation and treatment.

Operating theatres

Should have a pre-anesthesia room and sterilisation room and a scrub room for doctors and nurses.

Supportive (staff) services

- Central sterile Supply Services Management
- Diet Management (Catering dept.)
- Pharmacy Services Management
- Laundry
- Laboratory facilities
- Radiology
- Nursing services

Auxiliary Services

- Registration and indoor case records
- Stores
- Transport
- Mortuary
- Dietary services
- Engineering and maintenance services
- Hospital security
3.2.3 NATURE AND SCOPE OF A HOSPITAL

Human beings make a society. Healthy human beings make a healthy society. However, every society has its share of unhealthy human beings. Illness, disease and invalidity may be a curse for society, but their victims certainly are not. They are as much a part of society as the healthiest of individuals.

In the past, an individual afflicted by a wound or disease was condemned to suffer and fend for himself. In those primitive days, the healthy never assisted or looked after the afflicted. The practice was to consider such an afflicted person a spent-force and no longer useful to society. Thus, complete isolation from society was the tragic lot of one who fell ill. No attempt was made to ascertain the cause and suggest cures for ailments. The belief, then, was that illness was caused either by evil spirits or was a punishment for one’s misdeeds. Later, the ‘tribe’ assumed the responsibility of looking after the sick who were considered victims of a magic spell, by appeasing or scaring away the evil spirits with a counter – curse.

As civilization advanced from the individual to the family, from family to the tribe, and finally to the organized community, society acknowledged a common responsibility towards the sick. It was only when civilization progressed then man sought to provide for the welfare of his fellow-beings (other than his own kith and kin).

Illness creates dependency. The sick need medical treatment, nursing care and shelter. With the advent of the modern society, the institution developed to cater to the needs of the sick was the hospital.

3.2.4 HISTORY OF INDIAN HOSPITALS

The history of Indian medicine and surgery dates back to the earliest of ages. But hospitals as institutions to which a sick person could be brought for treatment were of a much later origin in other countries. In India, hospitals have existed from ancient times. Even in 6th century B.C., during the time of Buddha, there were a number of hospitals to look after the crippled and the poor. More such hospitals were started by Buddha’s devotees later on in different parts of India as well as outside the country.

The outstanding hospitals in India at that time were those built by king Ashoka (273-232 B.C.). Charka and Sushrutha of ancient India were famous physicians.
Medicine based on the Indian system was taught in the universities of Taxilla and Nalanda, which probably contributed to the advances in Arabic medicine. The Upakalpa-niyam Adhyayam of Charake Suthrasthanam gives specification for hospital buildings, labour rooms and children’s wards. The qualifications for hospital attendants and nurses as well as specifications for hospital equipment, utensils, instruments and diets have also been given. There is evidence to show that there were many hospitals in south India in the olden days, as observed in the Cholas and Malakapuram edicts.

According to historians, the study of the history of the medicine of ancient India was greatly handicapped for want of inscriptions, manuscripts or other records as are available for other ancient systems of medicine. The seals and tablets discovered at Harappa and Mohenjodaro are yet to be deciphered. But we do find from the books written by Arabian and European travelers (about A.D.600) that the study of medicine in India was in its bloom. Every major city had a medical school. The decline of Indian medicine started with the invasion of foreigners in the 10th century A.D. which was a period of unrest. The zeal of the native vaidyas for the investigation of the Indian flora slackened for want of encouragement. The invaders brought with them their own physicians called hakims. Under imperial patronage, the hakims began to prosper at the expense of the vaidyas. The maintenance of hospitals in India declined during this period.

The use of the allopathic system of medicine commenced in the 16th century with the arrival of European missionaries in south India. It was during the British rule that there was once again progress in the building of hospitals. The first hospital in India was probably built in Goa, as mentioned in Frye’s Travels. The first hospital in Madras was opened in 1664; the establishment of a hospital in Bombay was under discussion in 1670 but apparently it was not actually taken up till 1676; the earliest hospital in Calcutta was built in 1707-1708, and in Delhi, in 1874.

The Portuguese organized hospitals of the European type at Calicut(Kerala), Goa and Santhome(Madras) through missionary organisations. They set up treatment centres and trained local men and women as dressers, nurses, etc. In the early stages, missions were financed by foreign sources but later on when the people realized their value, local support and subsidies were available.
In the 17th century, the European doctors employed by the east India Company played an important role in the introduction of modern medicine in India. The East India Company in Madras established its first hospital in 1664 for its soldiers and another in 1688 for the civilian population. Moreover, in the 17th century; Sir Thomas Roe introduced modern medicine in the court of Jahangir, the moghul emperor. When other princely states also evinced interest, European doctors started becoming popular. Many doctors, after discharge from the services of the east India Company, settled down in India as private practitioners. Quite a few also got employment in the courts of princely states. When European doctors felt the need for assistants, they trained some local inhabitants as compounders and dressers. After some training and experience they were termed ‘native doctors’.

During the 17th and 18th centuries, there was a slow but steady progress in the growth of the modern system of medical practice in India and the indigenous system was pushed to the background. In the 19th century, modern medicine took firm root. Medical care based on this system spread all over India, mainly through the efforts of the missionaries.

Organized medical training was started in the 19th century. The first medical school (The Native Medical School) was started in Calcutta, followed by one in Madras. In the beginning, both the modern system and Ayurvedic system were taught. Hospital Assistants course of two years duration was started by the army. The medical health manpower at the primary and intermediate levels and to recommend the establishment of mechanisms or agencies to ensure the expeditious development of educational objectives and curricular contents. The committee strongly recommended the establishment of health-related vocational courses of the following categories of the health manpower: (a) A.N.M. (b) Health worker (c) Radiographer (d) Laboratory technician (e) Ophthalmic assistant (f) Dental hygienist (g) Pharmacist and (h) Housekeeper.

The committee recommended that the entry point for all these courses should be after the stage of the 10th standard. The plus two stages of 2 years can conveniently be broken into 4 semesters in which general educational and vocational courses of instructions can be imparted to the Para-professionals. Faculty from the disciplines of Biology, Physics and Chemistry can be drawn from the existing secondary schools for
these integrated courses. In view of the presence of language and humanities courses as a part of plus two vocational education, the students should be able to pursue higher courses of training in medical and other professional colleges and universities either at the end of the plus two stage or after 3 to 5 years of work experience in the chosen vocation. This would provide the incentive for joining health-related vocational courses at the plus two stages. The committee also recommended that the vocation should aim for a life of mission as well as personal growth.

3.2.5 DEFINITION OF HOSPITAL

Let us examine a few definitions of the term ‘hospital’. The word ‘hospital’ is derived from Latin word ‘hospitalize’ which comes from ‘hospes’, meaning a host. The English word ‘hospital’ comes from the French word hospitals, as do the words ‘hostel’ and ‘hotel’, all originally derived from Latin. The three words, ‘hospital’, hostel and hotel, although derived from the same source, are used with different meanings. The term ‘hospital’ means an establishment for temporary occupation by the sick and injured.

Today hospital means institution in which sick or injured persons are treated. A hospital is different from dispensary – a hospital being primarily an institution where in-patients are received and treated while the main purpose of dispensary is distribution of medicine and administration of outdoor relief.

Meaning of Hospital

1. A health facility place where patients receive treatment.

2. A Medical institution where injured or sick persons given medical care or surgical care.

3. A place in which the injured or the sick treated. A private or public institution founded for function and cure.

Dorland’s illustrated Medical Dictionary defines a hospital as

An institution suitably located, constructed, organized, staffed to supply scientifically, economically, efficiently and unhindered, all or any recognized part of the complex requirements for the prevention, diagnosis and treatment of physical, mental and the medical aspects of social ills; with functioning facilities for training new workers in
many special professional, technical and economical fields, essential to the discharge of its proper function, and with adequate contacts with physicians, other hospitals, medical schools and all accredited health agencies engaged in the better-health programme.

A hospital in Steadman’s Medical Dictionary is defined as

An institution for the care, cure and treatment of the sick and wounded, for the study of diseases and for the training of doctors and nurses.

**Blackiston’s New Gould Medical Dictionary describes a hospital as**

An institution for medical treatment facility primarily intended, appropriately staffed and equipped to provide diagnostic and therapeutic services in general medicine and surgery or in some circumscribed field or fields restorative medical care, together with bed care, nursing care and dietetic service to patients requiring such care and treatment.

According to the Directory of hospitals in India, 1988

A hospital is an institution which is operated for the medical, surgical and/or obstetrical care of in–patients and which is treated as a hospital by the central/state government/local body/private and licensed by the appropriate authority.

A close analysis of the above definitions reveals that no single definition is perfect in defining a modern hospital and its multifarious services. Dorland’s definition is comprehensive but fails to visualize rehabilitative and follow-up aspects. Steadman's definition is very simple and to a great extent, highlights all the essential services. The definition given in the directory of hospitals in India, 1988 is also very simple but too short to cover all the aspects of a hospital.

On the basis of the above definitions, we can evolve a comprehensive definition of a hospital, highlighting all the essential services provided by modern hospital:

A modern hospital is an institution which possesses adequate accommodation and well-qualified and experienced personnel to provide services of curative, restorative and preventive character of the highest quality possible to all people regardless of race, colour, creed or economic status; which conducts educational and training programmes
for the personnel particularly required for efficacious medical care and hospital service; which conducts research assisting the advancement of medical service and hospital services and which conducts programmes in health education.

Modern hospitals are open 24 hours a day. These personnel render services for the cure and comfort of patients. In the operating theatre, skilled surgeons perform life-saving surgery. In the nursery, the newborn receive the tender care of trained nurses. In the laboratory, expert technicians conduct urine, stool, and blood tests, vital to the battle against disease. In the kitchen, cooks and dieticians prepare balanced meals that contribute to the patient’s speedy recovery.

A hospital aims at the speedy recovery of patients. That is why its room is equipped with air-conditioners, call-bells and other devices. Several hospitals have libraries which provide books for patients. The telephone keeps the sick in touch with their friends and relatives. In most of the hospitals today, patients have newspaper and barber services in their rooms. Many hospitals keeping in view the recreation needs of their patients have provided televisions and radio sets in their rooms/wards. To save the precious time of the medical staff, secondary duties, like explaining the diagnosis and line of treatment to the patients and their attendants, are entrusted to another section of the staff called ‘medical social workers’. In hospitals, therefore, the endeavour is to provide the best possible facilities to the patients within the hospital’s resources.

3.2.6 MULTI-SPECIALITY HOSPITAL

- A hospital which provides various facilities like cardiac, urology, ortho etc.
- Multi-speciality hospitals are those which offer various facilities ranging from heart, kidney, eyes, orthopaedic, diabitic, women and child health.
- Super speciality hospital is a hospital in which the diseases related to a particular organ are most.

3.2.7 CLASSIFICATION OF HOSPITALS

Hospitals have been classified in many ways. The most commonly accepted criteria for the classification of the modern hospitals are; (a) ownership/control basis, (b) length of stay of patients (long-term or short-term) and (c) clinical basis.
3.2.7.1 CLASSIFICATION ACCORDING TO OWNERSHIP/CONTROL

On the basis of ownership or control, hospitals can be divided into four categories, namely public hospitals, voluntary hospitals, private nursing homes and corporate hospitals.

**Public Hospitals**

Public hospitals are those run by the central government, state governments or local bodies on non-commercial lines. These hospitals may be general hospitals or specialized hospitals or both. General hospitals are those which provide treatment for specific diseases like infectious disease, cancer, eye disease, psychiatric ailments, etc. General hospitals can diagnose patients suffering from infectious disease, but refer them to infectious disease hospitals for hospitalization, as general hospitals are not licensed to treat infectious-diseased patients.

**Voluntary Hospitals**

Voluntary hospitals are those which are established and incorporated under the Societies Registration Act, 1860 or public Trust Act, 1882 or any other appropriate Act of Central or State government. They are run with public or private funds on a non-commercial basis. No part of the profit of the voluntary hospital goes to the benefit of any member, trustee or to any other individual. Similarly, no member, trustee or any other individual is entitled to a share in the distribution of any of the corporate assets on dissolution of the registered society. A board of trustee, usually comprising prominent members of the community and retired high officials of the government, manages such hospitals. The board appoints an administrator and a medical director to run such voluntary hospitals. These hospitals spend more on patient care than what they receive from the patients. There is, of late, a trend among voluntary hospitals to charge reasonably high fees from the rich patients and very little from poor patients. Whatever they earn from the rich patients of the private wards, spent on the patients of general wards. However, the main sources of their revenue are public and private donations and grants-in-aid from the central Government, the state government, and from philanthropic organisations, both national and international. Thus voluntary hospitals run on a ‘no profit, no loss’ basis.
Private Nursing Homes

Private nursing homes are generally owned by an individual doctor or a group of doctors. They admit patients suffering from infirmity, advanced age, illness, injury, chronic disability, etc. or those who are convalescing, but they do not admit patients suffering from communicable diseases, alcoholism, drug-addiction or mental illness. There is, however, no uniform definition for nursing homes. The phrase may refer to out-of-home care facilities that offer a range of services similar to many found in a hospital. These nursing homes are run on a commercial basis. Naturally, the ordinary citizen cannot usually afford to get medical treatment there. However, these nursing homes are becoming more and more popular due to the shortage of government and voluntary hospitals due to long queues of patients and the shortage of medical as well as nursing staff leading to lack of medical and nursing care.

Corporate Hospitals

The latest concept is of corporate hospitals which are public limited companies formed under the companies Act. They are normally run on commercial lines. They can be either general or specialized or both.

3.2.7.2 CLASSIFICATION ACCORDING TO LENGTH OF STAY OF PATIENTS

A patient stays for a short-term in a hospital for treatment of diseases such as pneumonitis, appendicitis, gastroenteritis, etc. A patient may stay for a long term in a hospital for treatment of diseases such as tuberculosis, cancer, schizophrenia, etc. Therefore, a hospital may fall either under the category of long term or short term (now known as chronic-care or acute-care hospital respectively) according to the disease and treatment provided.

3.2.7.3 CLASSIFICATIONS ACCORDING TO CLINICAL BASIS

A clinical classification of hospitals is another basis for classification of hospitals. Some hospitals are licensed as general hospitals while others as specialized hospitals. In a general hospital, patients are treated for all kinds of diseases such as pneumonitis, typhoid, fever, etc. but in a specialized hospital, patients are treated only for those diseases for which that hospital has been set up, such as heart diseases, tuberculosis, cancer, maternity, ophthalmic diseases, etc.
3.2.8 CLASSIFICATION ACCORDING TO DIRECTORY OF HOSPITALS

The Directory of hospitals in India – 1988 lists the various types of hospitals and the types of management.

3.2.8.1 TYPES OF HOSPITAL

(i) **General hospital**

All establishments permanently staffed by at least two or more medical officers, which can offer in-patient accommodation and provide active medical and nursing care for more than one category of medical discipline (e.g. general medicine, general surgery, obstetrics).

(ii) **Rural Hospital**

Hospitals located in rural areas (classified by the registrar general of India) permanently staffed by at least one or more physicians, which offer in-patient accommodation and provide medical and nursing care for more than one category of medicine discipline (e.g. general medicine, general surgery and obstetrics).

(iii) **Specialized Hospital**

Hospitals providing medical and nursing care primarily for only one discipline or specific diseases (e.g. tuberculosis, ENT, eyes, leprosy, orthopedic, pediatrics, gynecological, cardiac, mental, cancer, infectious disease). The Specialized departments, administratively attached to a general hospital and sometimes located in an annexes or separate ward, may be excluded and their beds should not be considered in this category of specialized hospitals.

(iv) **Teaching Hospital**

A hospital to which a college is attached for medical/dental education.

(v) **Isolation Hospital**

This is a hospital for the care of persons suffering from infectious diseases requiring isolation of the patients.
(vi) **Tertiary hospital**

States and Central Government set up tertiary hospitals in their capitals where referred patients are treated such as AIIMS, New Delhi, P.G.I Chandigarh, Sanjay Gandhi, P.G.I., Lucknow, etc.

(vii) **Clinics**

Clinics are single-room hospitals. These are smaller than hospitals in any aspect. Where normally treatment given for out-patients only. We will find clinics with one doctor assisted by a helper (compounder/nurse).

(viii) **Charitable Hospitals**

These kinds of hospitals run by trusts or non-profit organizations. These hospitals provide treatment for free, not even charges for medicines.

### 3.2.8.2 TYPES OF MANAGEMENT

(i) **Central Government/Government of India**

All hospitals administered by the Government of India, viz. Hospitals run by the railways, military/ defense, mining/ESI/post & telegraphs, or public sector undertakings of the Central Government.

(ii) **State Government**

All hospitals administrated by the state/UT government authorities and public sector undertakings operated by states/UTs, including the police, jail, and others departments.

(iii) **Local bodies**

All hospital administered by local bodies, viz. the Municipal Corporation, Municipality, Zila Parishad, Panchayat etc.

(iv) **Private**

All private hospitals owned by an individual or by a private organization.
(v) **Autonomous body**

All hospitals established under a special Act of Parliament/state legislation and funded by the central/state government, e.g. AIIMS (New Delhi), PGI, Chandigarh.

(vi) **Voluntary organization**

All hospitals operated by voluntary body/a trust/charitable society registered or recognized by the appropriate authority under central/state government laws. This includes hospitals run by missionary bodies and co-operatives.

(vii) **Corporate body**

A hospital runs by a public limited company. Its shares can be purchased by the public and dividend distributed among its shareholders.

**Constituents of Health Care Organizations**

- Doctors who provide the medical treatment.
- Nurses who take care of peripheral treatment.
- Patients who are the ultimate customers.
- Paramedical staff, who provide support services to the medical staff.
- Non-medical staff, who provide maintenance, ancillary, supportive, administrative and other services.

**3.2.9 HEALTH CARE INDUSTRY IN COIMBATORE**

Coimbatore has the sophisticated large hospitals offering the world-class quality treatments equivalent to the best hospitals around the world. There are nearly 750 hospitals in and around Coimbatore with a capacity of 5000 beds. The first health care centre in the city was started in 1909. In 1969, it was upgraded to Coimbatore Medical College Hospital (CMCH). It is a government run hospital with bed strength of 1020 and provides free health care. Including the CMCH, corporation maintains 16 dispensaries and 2 maternity homes. The city also has many large multi-facility private hospitals like the PSG Hospitals, Kovai Medical Center and Hospital (KMCH), KG Hospital, Coimbatore Kidney Centre, G. Kuppuswamy Naidu Memorial Hospital (GKNM),
Sri Ramakrishna Hospital, Sheela Hospital, Kongunadu Hospital, Gem Hospital, Ganga Hospital, Aravind Eye Hospital, Sankara Natalya, Lotus Eye Hospital, Ashwin hospital, Vikram ENT hospital, Coimbatore Cancer Foundation, G. P. Hospital, Diabetes Care and Research Centre. The city is also a major centre for medical tourism. The city remains the preferred healthcare destination for people from nearby districts and also from the neighboring state of Kerala.

The Health Care Industry in Coimbatore has witnessed a tremendous growth in the last decade. With the increasing demand for best treatment and best facilities, the Coimbatore hospitals have established themselves.

The number of Coimbatore hospitals delivering health care to the masses is increasing every day. Coimbatore's charity trusts have ensured that the district has a unique place in health care industry. They have championed the cause of health and medical care in Coimbatore.

Other than this, Ayurvedic hospitals, Homeopathy Clinics, Naturopathy Hospitals, Siddha Hospitals, and Acupuncture treatments are also emerging with innovative ideas to treat the people with their ancestral knowledge.

3.2.10 NEED OF HEALTHCARE

India will need over 700,000 Healthcare Management professionals in the coming years.

- Better Health Insurance Awareness (More Insurance Companies are available)
- Increasing population
- Patients demanding about treatment, outcome & accountability
- Doctor/10,000 patients
- Rising Income Levels (people are spending more on medical treatment) hence can afford
- Patients have better access to medical information & thus part of decision-making process
Population of 1.2 billion by 2015 leading to exponential increase in the number of patients with communicable, non-communicable & Genetic disorder

Health awareness is growing

Better accessibility to healthcare, newer advances in therapies & diagnostics

Growth of chain of corporate hospitals with paradigm shift in healthcare system from public sector to private sector

Newer treatments

Lifestyle diseases

Quality Health

3.2.11 INNOVATIONS IN HOSPITAL INDUSTRY

Auto check-in and check-out

Specialty hospitals

Aromatherapy at Apollo.

Biventricular pacing.

Bone bank

Hospital administration.

Medical records management.

Oxygen under pressure treatment

Waste management.

Telemedicine.

Virtual Hospitals

3.2.12 PROBLEMS FACED BY THE INDUSTRY

Low public spending on health

Lack of adequate beds in the hospitals

Lack of emphasis on prevention
- Enforcing standards of medical care rendered by hospitals and private health practitioners
- Extremely low bed : people ratio
- Dominated by Government and Charitable Hospitals
- Excessive overlap across primary, secondary and tertiary care
- Skewed towards urban populace
- Lack of adequate corporatization
- Insurance to provide financial protection from catastrophic events
- More research, awareness and communication and greater public involvement in understanding health issues.

3.2.13 HEALTHCARE SECTOR GROWTH TREND IN INDIA

- The Indian healthcare industry size is expected to touch US$ 160 billion by 2017 and US$ 280 billion by 2020.

**Exhibit 3.1**
3.2.14 MARKET BREAK-UP BY REVENUES

Of total healthcare revenues in the country hospitals account for 71 per cent.

Exhibit 3.2

Market Break-up by Revenues

3.3 PROFILE OF COIMBATORE

Coimbatore is the third largest city in Tamilnadu with a population of more than 15 lakhs. There are more than 30,000 tiny small, medium and large industries and textile mills. The city is known for its entrepreneurship of its residents. The climate is comfortable round the year. The city is situated on the banks of the river Noyyal. Coimbatore existed even prior to the 2nd Century AD as a small tribal village capital called Kongunad until it was brought under Chola control in the 2nd or 3rd Century AD by Karikalan, the first of the early Cholas. When Kongunad fell to the British along with the rest of the state, its name was changed to Coimbatore and it is by this name that is known today, except in Tamil, in which it is called Kovai.
According to ancient manuscripts, Coimbatore's history can be traced to the Irula tribal chief Kovan and his clan who were its earliest settlers and the founders of "Kovanpatti " a part of Kongunadu. Years later, the surrounding forests were cleared, and a new village was formed called "Kovanputhur", which over the years came to be known as "Coimbatore".

In spite of its prominence as a bustling industrial city, Coimbatore still remains one of the most pollution-free cities in India. Covering an area of 23.5 square kilometers, the city houses some of the biggest names in Indian Industry. The major industries include textiles, textile machinery, automobile spares, motors, electronics, steel and aluminium foundries. Agriculture however remains the major occupation. The rich fertile soil and tropical climate is excellent for the growth of millet, paddy, cotton, tea, oil seeds and tobacco.

The city is also known for its educational institutions. Coimbatore Agricultural University is renowned as one of the best colleges of its kind in South Asia. In spite of its industrial and technological growth, traditions and age-old customs are still held in high esteem. The temples bear witness to the religiousness and love of art and architecture of the people. There are also a number of places of tourist interest around Coimbatore. Ootacamund (Ooty for short), is one of the most popular tourist spots in India.

Coimbatore is the third largest city in Tamil Nadu, with a Population of more than 15 lakhs. There are more than 30,000 tiny small, medium and large industries and textile mills. The city is known for its entrepreneurship of its residents. The climate is comfortable round the year, so it is called Poor Man's Ooty.

The rich black soil of the region has contributed to Coimbatore's flourishing agriculture industry and, it is in fact, the successful growth of cotton has served as a foundation for the establishment of its famous textile industry.

There are more than 25,000 small-scale, medium-scale, large-scale industries and textile mills. Coimbatore is also famous for the manufacture of motor pump sets and varied engineering goods, due to which it has earned the title "Detroit of the South". The Development of Hydro-electricity from the Pykara Falls in the 1930s led to a cotton boom in Coimbatore. The result has been a strong economy and a reputation as one of the greatest industrial cities in South India.
<table>
<thead>
<tr>
<th>City Name</th>
<th>Coimbatore</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>Tamil Nadu</td>
</tr>
<tr>
<td>District</td>
<td>Coimbatore</td>
</tr>
<tr>
<td>District Headquarters</td>
<td>Coimbatore</td>
</tr>
<tr>
<td>Ward</td>
<td>100</td>
</tr>
<tr>
<td>Zone</td>
<td>North Zone, South Zone, East Zone, West Zone, Central Zone</td>
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<tr>
<td>Lat Long</td>
<td>11.014667,76.955681</td>
</tr>
<tr>
<td>Population as per 2011</td>
<td>1,061,447</td>
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<tr>
<td>Official Languages</td>
<td>Tamil, English</td>
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<tr>
<td>Time zone</td>
<td>IST (UTC+5:30)</td>
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<tr>
<td>STD Code</td>
<td>0422</td>
</tr>
<tr>
<td>Transport</td>
<td>Air, Road, Rail, Monorail</td>
</tr>
<tr>
<td>Vehicle registration</td>
<td>TN-37 Coimbatore South, TN-38 Coimbatore North</td>
</tr>
<tr>
<td>Food and Cuisine</td>
<td>South Indian, Rice, Banana Leaf, North Indian, Chinese and Continental Cuisines, Mysorepa, Idly, Dosa, Halwa, Annapoorna - Sri Krishna Sweets and Vada-Sambar and Biryani etc.</td>
</tr>
<tr>
<td>Religion</td>
<td>Hinduism, Muslims, Christianity, Jainism</td>
</tr>
<tr>
<td>Festival</td>
<td>Koniamman Festival, Pongal, Deepavali, Ramzan and Christmas, Natyanjali Festival, Aadiperuku, Navaratri, Thai Poosam and Tirukarthigai Festivals etc.</td>
</tr>
<tr>
<td>Hospital</td>
<td>Kuppusamy Naidu Hospital, PSG Hospitals, The Kovai Medical Centre and Hospital, Ganga Hospital, Gem Hospital, The Eye Foundation and Sankara Eye Clinic, Naturopathy Hospitals, Siddha Hospitals etc.</td>
</tr>
<tr>
<td>--------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
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<td>Hotels</td>
<td>Hotel Mangala International, Hotel City Tower, Hotel Alankar Grande, Hotel Heritage Inn, Hotel Rathna Residency, Sri Aarvee Hotels, The Residency Coimbatore, Clarion Hotel, Park Plaza, Park Royal Inn, Taj Surya, Hotel Sree Murugan, Annamalai Hotels, etc.</td>
</tr>
<tr>
<td>Markets</td>
<td>Big Bazaar, Raja Street, Gownder Street, Sukravar Pettai, Poompuhar Handicrafts Emporium, Co-optex, Khadikrafs and Tansi Sales Center, Shri Lakshmi Complex, etc.</td>
</tr>
<tr>
<td>University/College</td>
<td>Amrita Vishwa Vidyapeetham, Anna University, Avinashilingam University, Bharathiar University, Karunya University, Tamil Nadu Agricultural University, Karpagam University, Government College of Technology, PSG College of Technology, Coimbatore Medical College, KTVR Knowledge Park for Engineering and Technology, Sri Krishna College of Engineering &amp; Technology, PSG Institute of Medical Sciences and Research, Shri Nehru Maha Vidyalaya College of Arts &amp; Sciences, Sri Krishna Arts and Science College, Sri Ramakrishna Mission Vidyalaya College of Arts And Science etc.</td>
</tr>
<tr>
<td>Notable people</td>
<td>Anupama Prakash Kumar - Actress, Kovai Sarala - Indian Film Actress and Comedian, Michael Thangadurai - Film Actor Dancer, G.D.Naidu - Scientist, Narain Karthikeyan - Formula One Racer Driver etc.</td>
</tr>
</tbody>
</table>