4.1 Introduction

Researchers have idealized the high performing organizations as the one’s which; are clear about their missions, have well-defined objectives, are focused towards results, empower employees, motivate and inspire them to succeed, are flexible and adjust quickly to new conditions, are competitive in terms of performance, continuously restructure work processes to meet customer needs, and maintain communications with stakeholders (Popovich, 1998). The organization and its people are inter-dependent. While, performance is seen as a function of both individual employee performance and the higher-level context in which the jobs are done (Gelade&Ivery, 2003). Development of people in this contexture may thus, be professed as an engine of growth, success and efficiency. It is however, propagated as a function in an organization that provides opportunities for an individual worker to improve current and future job performance, while simultaneously best utilizing human capital in order to improve the efficiency of the organization itself (Byrne, 1999). Ideally, a well-developed and well-implemented HRD system is integral to company's strategic plan and benefits both the employee as well as the company. The present chapter is aimed at discussing in detail the core of HRD climate as well as organizational performance and provide a broad assessment of the theoretical link between the two. Besides, a good portion of this chapter is devoted towards describing hospitals as organizations, their structure, history and growth of hospitals, evolution of health care in Kashmir, classification, ownership and management. This section also highlights the structure of health care in Kashmir and throws some light on the developmental policies in practice at hospitals.

4.2 Human Resource Development Climate (HRDC)

The term HRD climate as a concept evolved in India during eighties. The concept gained much publicity among academics, scholars and business managers, soon after it was revealed that favourable HRD climate positively influence organizational performance. Professor T.V.Rao and E. Abraham were the first to study HRD climate. They defined the term ‘HRD climate’ as the shared perceptions which employees hold about that particular organization they work with. The authors were of the view that an optimal developmental climate is essential for facilitating HRD. Such optimal developmental climate is characterized as consisting of numerous tendencies on the part of the organization, thus, invoking a feeling among employees about the existing HRD
structure at their work place. The few of these tendencies as suggested by Rao and Abraham (1986) include the following:

- A general attitude at all levels of management that people are the most important resource and that they possess all the capabilities to change and acquire competencies at any stage of life.
- A notion that developing the competencies in employees is the responsibility of management and thus, encouraging risk-taking and experimentation at work.
- Allowing discussions, encouraging expression of feelings in employees and creating mechanisms to help them to recognize their strengths and weaknesses.
- Developing and maintaining an environment of trust, mutual understanding and collaboration and discouraging stereotype and favoritism.
- Improving employee work life, ensuring employee friendly personnel policies and implementing supportive developmental practices like performance appraisal training, reward management, potential development, job rotation and career planning.

In a broader frame, the employee developmental climate may be seen as a part of larger system i.e., organizational climate (OC). OC is an extensively researched phenomenon in the organizational psychology literature and has been defined in various ways. For instance Schneider (1975) defined OC as individual’s perception about salient characteristics of the organizational contest. In the words of Tagiuri and Litwin (1968 p: 25) it is the relatively enduring quality of the total environment that; is experienced by the occupants, influences their behaviour, and, can be described in terms of the values of a particular set of characteristics or attributes of the environment. Such attributes include a supportive climate of risk taking, cohesiveness, and motivation to achieve (Denison, 1996). Forehand & Von Haller (1964) described it as a set of characteristics which are relatively enduring over time and that define organizations, differentiate them from others and influences the behaviour of the people in the organizations. Human resource development climate in this sense is thus, the attention that members pay towards various developmental systems such as personnel policies, appraisal, learning, rewards, and, management behaviour at their respective places of work. In other words, it is an understanding shared by every employee about that particular organization they work with.
4.3 Human Resource Development Sub-Systems

Organizations differ in the extent to which they possess the above mentioned tendencies. Some organizations may have some of these tendencies, some others may have only a few of these, and a few may have most of these. Organizations having most of these tendencies are supposed to base a sound HRD climate. These tendencies take the shape of various practices and can broadly be classified and explained under various sub-heads which are also called as HRD mechanisms or subsystems.

4.3.1 Performance Appraisal System

Performance appraisal is assessing the performance and progress of an employee after a specified period of time in relation to his/her set performance standards. According to Edward B. Flippo, “Performance appraisal is the systematic, periodic and an impartial rating of employee’s excellence in matters pertaining to his present job and his potential for a better job.” The aim of performance appraisal is to improve performance. Performance appraisal also always assumes that the employee understood what his or her performance standards were, and that the supervisor also provides the employees with the feedback, development, and incentives required to help the person eliminate performance deficiencies or to continue to perform above par (Dessler, 2006: 320). Appraising performance is beneficial for organizations. It provides valuable information for personnel decisions such as pay increases, promotions, demotions, transfers and terminations. It helps in analyzing training and development needs by working out performance gaps and identifying people who require more training to avoid weaknesses. It also boosts employees with competitive spirit and motivates them towards improved and better performance.

Performance appraisal is seen as the cornerstone of an effective Human Resource System that provides all the necessary information required for strategic decision-making. It involves assessing the fit between current Human Resource System and those systems required by a change in strategic direction. Measuring performance is crucial to every business and when it is done well, it transcends the numbers and becomes a powerful communication tool that can bring the strategy and action in tune (Sieger, 1992). In the words of Harper (1983), performance appraisal needs to be considered a top priority, properly planned, carefully administered, and constantly updated to reflect the dynamic environment that influences the organization and its performance.
According to Kandula (2001), a development-oriented performance appraisal approach includes establishing performance goals and standards, monitoring progress, reviewing actual performance, comparing actual performance with the pre-determined standards, tying rewards to performance, establishing developmental plans, and agreeing on future performance goals and standards. Lochar and Teel (1988) maintains that compensation, performance improvement, feedback documentation, promotion training, transfer, discharge, lay-off, personnel research, and, manpower planning are the primary reasons for implementing performance appraisal system in the organization. Apart from that, an appraisal system should be able to withstand questioning from employees (Smith, 1993) and thus, should be employee defensible with published rules and procedures (Kandula, 2001). Employees perceive a system as fair when they understand how it works and believe that it is administered in an equitable manner.

4.3.2 Potential Appraisal and development

Potential appraisal is assessing an employee to identify his courage, calibre and potential to do different jobs or to take-up higher responsibilities within the organization. Such assessment is used for developmental planning as well as for placement. Potential appraisal improves career enhancement possibilities of an employee. It helps to motivate employees in addition to serving organizational needs. Employees should be assigned different tasks to judge their potential and capabilities to perform new roles and responsibilities. A good potential appraisal system should help management in identifying employees who, although at that point of time, may not have the capability of handling higher jobs, but whose capabilities could be developed through job rotation, training, etc. It should be based on clarity of roles and function associated with different roles in an organization and should contain a detailed list of the qualities (like; Technical knowledge and skills; Managerial capabilities and qualities; Behavioural capabilities; Conceptual capabilities and so on) required to perform such functions. Potential appraisal is done either by personnel department or the managers concerned through periodic counselling and guidance sessions. A good mechanism of potential appraisal at the work place continuously provides an employee the opportunity to know his strengths and weaknesses that in turn leads to the development of an employee in particular and the organization as a whole.
4.3.3 Career Planning and Development

According to Edward B. Flippo, a career is a sequence of separate but related work activities that provide continuity, order and meaning to a person’s life. Career planning is a systematic process by which one selects career goals and the path to reach such goals (Gupta, 2014). People always join the organization with some goals that they want to achieve in their working life. Career planning is an individual’s responsibility. It starts before an individual enters the organization. However, it is the responsibility of an organization to provide guidance and counselling to its employees in planning their careers and in developing and utilizing the knowledge and skills. Employees should be guided and advised on their possible career paths and what they must do to achieve promotions. The basic aim of career planning is integration of individual and organizational needs (Gupta, 2014).

Career planning is beneficial to both employees as well as to the employer. On one hand, it helps an individual to plan his/her path for development in the organization he/she works in, by making an employee well aware about the career opportunities available in an organization. This knowledge enables them to select the career most suitable to his/her potential and aptitude. On the other hand, benefits an organization by anticipating the future vacancies that may arise due to retirement, resignation, death, etc. at managerial level. Career planning facilitates expansion and growth of the enterprise by identifying and developing the employees who are required to fill the vacancies in the future.

Rothwell and Kazans (1988) idealized three approaches in charting the career paths of employees which include; Traditional, Career path, and Lattice or Network approach.

1. The traditional approach is the one in which employees and managers simply look at the chain of command in each organizational unit. Career progress is equated with upward mobility.

2. Career path approach assumes that jobs can be grouped around basic underlying similarities. Every job in an organization is analyzed in detail for similarities in work methods and/or work results. Individuals are allowed to move altogether into different job classes so long as similarities exist in activities or results.

3. Lattice or network approach is away to establish relationships between jobs. Since individuals are capable of moving into any other position over time, HR
planners develop a matrix that describes what skills and what levels of skill proficiencies are required to perform satisfactorily in every job. Using this information as the bases, planners develop a comprehensive directory to help individuals chart a course for career movement in almost any direction.

Career management efforts ensure that employees are offered opportunities to develop themselves while the organization is creating a pool of internal talent. It is a continuous process and has become essential for organizations in view of organizational restructuring, resulting in fewer hierarchical levels and lesser promotional opportunities for employees.

4.3.4 Training and Development

Training and development dimension is one of the important aspects of human resource development. Training is a process of imparting with the new and the existing employees the necessary skills and knowledge required to perform a specific task in an effective and efficient manner. The main purpose of training is to bridge the gap between job requirements and present competence of an employee. Training is essential to improve organizational climate, to help a company fulfil its future personnel needs or existing personnel alterations, to improve productivity, quality and company profits (Singh, 2013p: 45). Training is essentially a short-term procedure and is concerned with the non-managerial employees of an organization. Whereas, Development is a long-term educational process utilizing a systematic and organized procedure by which managerial personnel learn conceptual and theoretical knowledge for general purpose (Gupta, 2014p: 9.5). In the words of Campbell, training courses are typically designed for short-term, stated set purposes, such as the operation of some piece(s) of machine while development involves a broader education for long-term purposes. Development involves preparing the individual for a future job and growth of an individual in all respects.

The development of high potential workers with the support of continuous training and retraining is seen as a core element in the development of competitive advantage of the organizations. Catalanello and Redding (1989) observed that the recent business success of leading organizations like Motorola, General Electric and Hewlett-Packard is the outcome of systematic management of employee training. Moreover, in knowledge-based and service-oriented organizations, the behaviour of the employees is in itself a competitive factor (Kandula, 2001). Hence organizations are increasingly concerned with the personality profile of the employees and are keen
to develop personality traits or attitudes believed to stimulate business activities and the success of the organizations.

Training and development plays a vital role in securing organizational goals. The human resources of an organization are seen as the most important factor in corporate planning, and training and development as able to make an important contribution to the achievement of business success (Ashton & Felstead, 1999). Companies are required to tie the process of training and development with the overall strategic objective of the organization (Fisher et al., 1997).

4.3.5 Organization Development

Organization development (OD) has been defined as the process of enhancing the effectiveness of an organization and the overall well-being of its members through planned interventions applying behavioural sciences (Beckhard, 1969; Alderfer, 1977). It stresses on all organizational changes whether macro or micro. Macro changes are intended to ultimately improve the effectiveness of the organization while, micro changes are directed at individual, small groups, and teams (Werner & DeSimone, 2006). This is done through introducing employee involvement programs that require fundamental changes in work expectations, reward systems, and reporting procedure.

Organizational development function specifically focuses on creating and maintaining a favourable work culture and atmosphere within the organization. It emphasizes the necessary changes in inter-personnel and inter-group relations for the purpose of bringing the necessary changes in the behavioural pattern and culture in the organization, so as to make it more conducive for the growth of individual managers (Singh, 2013: 62). OD is concerned with the development of organization and takes into account all such means required to improve organizational health, and also to maintain a psychological climate that is conducive to productivity. Organizational development programmes and techniques like management grid, employees attitude surveys, confrontations, heart-searching etc help organizations to overcome various problems such as absenteeism, low production, inter-personal conflict, or resistance to change.

4.3.6 Employee welfare and quality of work life

Yet another facet of human resource development function is the welfare and care for human resource at work. HRD systems thoroughly monitor employees to analyze their needs and make continuous efforts to meet these needs to the extent
feasible. Flexible working hours, better working condition, job enrichment programmes, educational subsidies, recreational activities, health and medical benefits, and the like helps in generating a sense of belongingness in employees that in turn benefits an organization in terms of productivity and profitability in the longer run.

Appropriate welfare provisions and physical environment have been recognized as the two most important factors that have the potential to affect performance of job provision (Monappa & Saiyadain, 1983). Oldham and Rotchford (1983) in their analysis of physical environment contended that the design of office setting can have substantial implications for the way people react in offices. A study conducted in England reported that a poorly designed office/plant can have a detrimental effect on the morale and motivation of an employee, and also recognised noise and lighting as the two important factors that determine satisfaction within the office/plant environment (Field, 1992). The working place should be such that it safeguards employees and protect them against occupational hazards. It should provide reasonable amenities to satiate worker’s essential needs. Kandula (2001) believes that the welfare provisions for workers are necessary not only for their benefit but they are more necessary for the employer’s own interest because of the following reasons;

1. The welfare work has beneficial effects on the workers. The welfare measure influences the sentiment of the workers and contributes to the maintenance of industrial peace.
2. Better welfare facilities such as medical care for the worker’s family, children education; housing, etc. are bound to create a sense of belonging among the workers towards organization.
3. Welfare facilities help to improve the mental and physical health of workers.
4. Welfare work postulates a real change of heart and a change of outlook on the part of both employers and workers.
5. The salutary working conditions and better welfare measures motivate workers to sacrifice for organizational needs.

**4.3.7 Reward System**

A good system of reward plays an important role in the creation of a development oriented climate. Rewarding employees for their good performance has a motivational value. Salaries only are not enough to produce an adequate impact on
enhancement of performance, reduction of absenteeism, and retaining of skilled employees, intrinsic rewarding are also necessary (Singh, 1983 in Rao, 1991). Reward boost employee’s morale and encourage them for better performance. It also creates an urge among other employees for good performance and rewards. Reward systems within an organization are designed and administered to achieve following four major behavioural objectives (kanungo, 1986 in Rao, 1991):

1. Reward systems are designed to attract towards the organization, the individuals with required knowledge, ability and talents demanded by specific task.
2. Reward systems are designed to retain valued, productive employees who must perceive them as fair and equitable relative to the market.
3. Reward systems are designed to motivate individuals and groups within the organization to maintain regular attendance and high standard of performance on the job.
4. Finally, reward systems are designed to promote among its members certain favorable attitudes towards the organization itself including its various socio-technical components such as supervision, co-workers, administrative practices, the assigned jobs and its technology. Such attitudes and beliefs are often reflected in the employee’s loyalty and commitment to the organization, high job involvement and job satisfaction.

4.3.8 Feedback and Counselling

Knowledge of one’s strength and weaknesses help people to become more effective, to choose among situations in which one’s strengths are required, and to avoid situations in which their inclusion could create problems. This also increases the satisfaction of the individual. Often, people do not recognize their strengths. Supervision in an HRD system has the responsibility for on-going observation and feedback to subordinates about their strengths and their weakness, as well as for guidance in improving performance capabilities. According to Pareek and Rao (1990) Counselling aims at development of counselees’ and involves the following;

- Helping employees to understand their strengths and weaknesses and to make them realize their potential as a manager.
- Providing opportunities to acquire an insight into one’s behavior and analyze the dynamics of such behavior.
- Helping people to have better and clear understanding of the environment.
- Assisting employees in analyzing their interpersonal competence and encouraging them to generate alternatives for dealing with various problems.
- Encouraging people to set goals and help them to develop various action plans to
reach to these goals for further improvement.

- Providing a review of his progress in achieving various objectives in a non-threatening and convincing manner.

  Counselling is considered as an effective instrument in helping people interact with their organization and have a sense of involvement and satisfaction. The various conditions presumed to be necessary for feedback and counselling system to be effective include;

- Providing general climate of openness and mutuality.
- Creating a general helpful and empathetic attitude of management
- Nurturing a sense of uninhibited participation by the subordinates in the performance review process.
- Establishing a dialogic relationship in goal setting and performance review.
- Addressing work oriented behavior and focusing on work related problems and difficulties.

Feedback and counselling is a dyadic process and is given by one who is senior to the other person- in competence, or in knowledge, or in psychological expertise, or in the hierarchical position in the organization.

Successful implementation of HRD involves taking an integral look and making efforts to use as many mechanisms as possible (Rao& Abraham, 1986). Training, performance appraisal, feedback and counselling, performance rewards, potential appraisal, career planning, employee welfare, and job rotation are some of these HRD mechanisms. In this research, the implementation of these mechanisms will be examined in the organizations understudy. The items in the questionnaire are aimed at measuring the extent to which the various HRD mechanisms are implemented in the hospitals of Kashmir.

### 4.4 Links between sub-systems of HRD

The various HRD sub-systems or mechanisms discussed so far are designed to work together in an integrated system and should not be thought of in isolation. Although any of them may exist in an organization that does not have an overall HRD plan. However, in isolation, these mechanisms do not provide the synergistic benefits of integrated sub-systems. For instance, outcomes of performance appraisal provide inputs for training needs assessment, rewards, career planning, and feedback and performance coaching. The links between the HRD subsystems are indicated in the Table 4.1:
### Table 4.1: Links between the Subsystems of HRD

<table>
<thead>
<tr>
<th>Performance appraisal</th>
<th>Potential appraisal and development</th>
<th>Feedback and performance coaching</th>
<th>Training</th>
<th>Career planning</th>
<th>Employee welfare and QWL</th>
<th>Rewards</th>
<th>OD and system development</th>
<th>Human resource information</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Performance appraisal (PA)</strong></td>
<td>-</td>
<td>PA dimensions develop the potential of employees for higher level jobs</td>
<td>PA data are the basic for feedback and counselling.</td>
<td>PA indicates the job training needs of each individual</td>
<td>PA data used</td>
<td>-</td>
<td>PA data form the basis for decisions</td>
<td>PA data are used</td>
</tr>
<tr>
<td><strong>Potential appraisal and development (PAD)</strong></td>
<td>-</td>
<td>PAD data should be used for feedback and counselling</td>
<td>Training may be provided to develop candidates with potential</td>
<td>PAD is based on career plans, and career plans are prepared using PAD</td>
<td>-</td>
<td>-</td>
<td>OD programmes can be undertaken if potential is not available within the organization</td>
<td>PAD data are used</td>
</tr>
<tr>
<td><strong>Feedback and performance coaching (FPC)</strong></td>
<td>-</td>
<td>-</td>
<td>Training needs can be identified</td>
<td>Career counselling can be part of this</td>
<td>-</td>
<td>Verbal rewards can be part of feedback</td>
<td>FPC data can be used for improving the development climate</td>
<td>FPC data can be used to monitor individual development</td>
</tr>
<tr>
<td><strong>Training (T)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Training may be undertaken on the basic of career development plans</td>
<td>Training can be part of QWL programmes</td>
<td>Training used as reward</td>
<td>Training can be part of OD</td>
<td>Data are used for promotion decision</td>
</tr>
<tr>
<td><strong>Career planning (CP)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Research on promotion patterns can conducted OD programmes</td>
</tr>
<tr>
<td>Employee welfare and Quality of Work Life (EW and QWL)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Group efforts can be rewarded QWL measures</td>
<td>QWL improvements can be part of OD activities</td>
<td>Welfare benefits require data</td>
</tr>
<tr>
<td>Rewards</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>Data are used for rewards and reward data are entered</td>
</tr>
<tr>
<td>OD and Systems Development (OD and SD)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>HRE can be used for systems development and OD purposes</td>
</tr>
</tbody>
</table>

In the words of Rao (1991) an integrated HRD system requires a thorough understanding of the principles and models of human resource development and a diagnosis of the organizational culture, existing HRD practices in the organization, employee perceptions of these practices, and the developmental climate within the organization. Pareek and Rao (1981) provided the following principles related to focus, structure, and functioning which should be considered when designing integrated HRD systems.

1. **Focus on enabling capabilities**
   The primary purpose of HRD is to help the organization to increase its ‘enabling’ capabilities. These include development of human resources, development of organizational health, improvement of problem-solving capabilities, development of diagnostic ability so that problems can be located quickly and effectively, to achieve increased employee productivity and commitment.

2. **Balancing adaptation and change in the organizational culture**
   Although HRD systems are designed to suit the organizational culture, the role of HRD may be to modify that culture to increase the effectiveness of the organization. There has always been a controversy between those who believe that HRD should be designed to suit the culture and those who believe that HRD should be able to change the culture. Both positions seem to be extreme. HRD should take the organization forward, and this can be done only if its design anticipates change and evolution in the future.

3. **Attention to contextual factors**
   What is to be included in the HRD system, how it is to be subdivided, what designations and titles will be used, and similar issues should be settled after consideration of the various contextual factors of the organization- its culture and tradition, size, technology, levels of existing skills, available support for the function, availability of outside help, and so on.

4. **Building linkages with other functions**
   Human resource development systems should be designed to strengthen other functions in the company such as long-range corporate planning; budgeting and finance, marketing, production, and other similar functions. These linkages are extremely important.
5. **Balancing specialization and diffusion of the function**

Although HRD involves specialized functions, line people should be involved in various aspects of HRD. Action is the sole responsibility of the line people, and HRD should strengthen their roles.

The authors further asserted that HRD is required to be identified as a distinct mechanism and the people in charge of HRD should be specialized for the job and should contain responsibility exclusively for the function. It is necessary that HRD be instituted at a very high level in the organization to ensure credibility and usefulness of the system. Successful organizations have been seen paying adequate attention to their human resource development function. Therefore, for the full benefit of HRD to be experienced, it must be introduced as a total system within the organization.

4.5 **OCTAPAC Culture**

An employee friendly and supportive climate is essential for the effective implementation of HRD initiatives. One such part of that supportive climate is the creation of OCTAPACE culture. OCTAPACE stands for eight important values which include openness, confrontation, trust, authenticity, pro-action, autonomy, collaboration and experimentation. A brief description of these organizational values is given below;

- **Openness**
  Prof. Pareek defined openness as a spontaneous expression of feelings and thoughts and the sharing of these without defensiveness. It means giving- without hesitation- ideas, information, feedback, feelings and so on. An organization can get most out of the people when they become open in terms of expressing their ideas and feelings (Rao, 1991).

- **Confrontation and Pro-action**
  Confrontation is facing the problem rather than avoiding it. All this involve taking up the challenge. Pro-activity means taking initiative, pre-planning, taking preventive action, and calculating the pay-offs of an alternative course before taking action.

- **Collaboration and Teamwork**
  Collaboration and teamwork provide the strength to the organization to perform. People derive strength from each other through the joy of working together. It gives stamina to the people to face turbulent environment and solve problems.
Trust and Authenticity

Trust is not misusing the shared information and maintaining the confidentiality. Trust is a wonderful thing and we can become more trustworthy when we do the same, what we say. Authenticity is the congruence between what one feels, says, and does. The outcome of trust and authenticity include high empathy, timely support, reduced stress and reduction in the distortion of communication, which leads to effective delegation and higher productivity.

Autonomy and Experimentation

Autonomy and Experimentation provide opportunities to the people by creating organizational space for them excel and by encouraging them to make an impact in their own ways in each of the job they perform.

Organizations differ in the extent to which they pursue this culture. The OCTAPACE culture deals with the extent to which its components are valued and promoted in the organization. Organizations become dynamic and growth oriented if their people are dynamic and pro-active and organizations are responsible to make their people become dynamic and pro-active through proper selection of such people and nurturing their dynamism and other competencies (Rao, 1991). Therefore, it becomes imperative on the part of organizations to encourage people and infuse among them the confidence to be fearless, innovative, adaptive and expressive in their attitude, so as to help an organization become more dynamic and competitive to face any challenge.

4.6. Background of Human Resource Development Climate

Human resource development climate bear its roots from organizational climate. Some authors use the term HRD climate and organizational climate interchangeably in similar sense (Solkhe&Chowdhary, 2011; Pillai, 2008). However, organization climate is a much broader term and has comparatively longer history and wider scope than HRD climate. Organization climate as a term evolved in later thirties of the previous century. Kurt Levin, a social scientist initiated the term in his work. He conceptualized it as a particular type of social process involving influence of a work setting on organizational members who are in subordinate positions of power. Organizational climate is a set of characteristics that make an organization’s work environment unique. According to Liou and Cheng (2010), these characteristics are enduring over time implying that the
organizational members would be subjected to its effect considerably. Litwin and Stringer (1968) and Pritchard and Karasick (1973) also proposed organizational climate as a subjective perception of employees of the work environment in their organization, and is linked to their work attitude formation. While, on the similar note, HRD climate has also been defined as employee’s perception of climate. However, the scope is limited to the human resources functions only. Thus, HRD climate is proposed to be the part of a larger system i.e. organization climate.

4.7 Essence of Human Resource Development Climate

HRD climate has generally been defined as employee’s perception about work environment while, the environment has long been recognized as a source of influence on individual behaviour. Studies by Ohly and Fritz (2007) demonstrate that work environment can play a significant role in influencing the behaviour of the employees. Similarly, a developmental climate can also influence an employee’s work-based outcome. Most researchers agree that a congenial HRD Climate is extremely important for the ultimate achievement of the business goals (Rao, 1986; Gani & Rainaye, 1996; Salokhe, 2002; Mufeed, (2006); Purang, (2008); Khan & Tarab, (2012). Creation of a supportive environment is an effective alternative to foster growth of individuals in organizations suggested Dayal (1993). Gupta (2004) emphasised on the development of an organizational climate that would facilitate and sustain the process of employee development. Climate is a phenomenon experienced by employees and often referred to by expressions like ‘environment’, ‘atmosphere’ and so on (Pillia, P. R., 2008). The management attitude, traditions, HR practices and policies, work systems and cultures, inter-personal and dyadic relations, and, organization characteristics, all put together, make up an atmosphere for its members which influences their outlook, well being, attitudes and their overall performance. At the individual level, climate is a summary perception of the organisation's work environment that is descriptive rather than evaluative in nature (Joyce & Slocum, 1984). An optimal level of such an atmosphere is essential for the survival and growth of organizations.

In the words of Rao (1991) a general supportive climate is important for HRD if it has to be implemented effectively and such supportive climate consists of not only top and line management’s commitment but good personnel policies and positive
attitudes towards development. The author further maintained that successful implementation of HRD involves an integrated look at HRD and efforts to use as many HRD mechanisms possible. Such mechanisms include: performance appraisal, potential appraisal, career planning, performance, rewards, feedback and counselling, training, employee welfare for quality work life and job rotation. While, facilitating a culture of openness, confrontation, autonomy, trust and collaboration at the work place is claimed to be focal for effective HRD climate.

### 4.8 Outcome of Human Resource Development Climate

According to Rao (1986) the linkages between HRD outcomes and organizational effectiveness are not easily demonstrable due to the influence of several other variables in determining productivity. HRD mechanisms like performance appraisal, training, OD interventions, counselling, etc are systemic interventions that an organization undertakes to set into motion or to develop the desired HRD processes and outcomes. The author further maintained that the mere introduction of HRD mechanisms and HRD departments do not automatically result in the development of HRD climate or HRD processes. There are organizations that claim to have been able to generate a good HRD climate and outcomes without having any formalized HRD mechanisms. It is possible to have an HRD culture without having an HRD department or without using any HRD systems. The very few things required for the same involves a good leadership at the top, vision and building of HRD values from the inception of an organization. Such HRD values have also been promoted in the past by visionaries and institution builders.

Using this framework Rao (1991) opined that research in HRD may focus on HRD instruments, HRD processes, HRD outcomes and their interrelationships as well as the relationship with organizational effectiveness. Based on the research and available experiences the author provided in sequence a schematic presentation of linkages between HRD instruments, processes, outcomes and organizational effectiveness.
<table>
<thead>
<tr>
<th>HRD mechanism or Sub-systems or Instruments</th>
<th>HRD processes and HRD climate variables</th>
<th>HRD outcomes effectiveness dimensions</th>
<th>Organizational dimensions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• HRD department</td>
<td>• Role clarity</td>
<td>• More competent people</td>
<td>• Higher productivity</td>
</tr>
<tr>
<td>• Performance appraisal</td>
<td>• Planning of development by every employee</td>
<td>• Better developed role</td>
<td>• Growth and diversification</td>
</tr>
<tr>
<td>• Review discussions, feedback and counseling sessions</td>
<td>• Awareness of competencies required for job-performance</td>
<td>• Higher work commitment and job involvement</td>
<td>• Cost reduction</td>
</tr>
<tr>
<td>• Role analysis exercises</td>
<td>• Productive orientation</td>
<td>• More problem solving</td>
<td>• More profits</td>
</tr>
<tr>
<td>• Potential development exercises</td>
<td>• More trust</td>
<td>• Better utilization of human resources</td>
<td>• Better image</td>
</tr>
<tr>
<td>• Training</td>
<td>• Collaboration teamwork</td>
<td>• Higher job-satisfaction and work motivation</td>
<td></td>
</tr>
<tr>
<td>• Communication policies</td>
<td>• Authenticity</td>
<td>• Better generation of internal resources</td>
<td></td>
</tr>
<tr>
<td>• Job-rotations</td>
<td>• Openness</td>
<td>• Better organizational health</td>
<td></td>
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<tr>
<td>• OD exercises</td>
<td>• Risk taking</td>
<td>• More teamwork, synergy and respect of each other</td>
<td></td>
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<tr>
<td>• Rewards</td>
<td>• Value generation</td>
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<tr>
<td>• Job-enrichment programmes</td>
<td>• Clarification of norms and standards</td>
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<tr>
<td>• Other mechanisms</td>
<td>• Increased communication</td>
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<td></td>
<td>• More objective rewards</td>
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<td></td>
<td>• Generation of objective data on employees etc.</td>
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Other Factors
- Environment, technology, resource availability, history, nature of business etc.

Other Factors
- Personnel policies, top management styles, investments on HRD, top management’s commitments, history, previous culture, line manager’s interest etc.

Fig. 4.1: Source: Rao, T. V. (1991), Readings in HRD
4.9 Defining Organizational Performance

Organizational performance may be seen as an outcome of a series of processes and procedures followed by an organization in its endeavour to achieve anticipated targets and goals. It comprises the actual output or results measured as against its intended outputs (goals and objectives). Organizational performance is said to be favourable if it equates or surpasses pre-determined standards and it is considered to be hostile if it falls short. It can be best illustrated by the following equation:

\[ \text{Performance} \times \text{Resources} = \text{Organizational performance} \]

### Table 4.2: General determinants of Organizational Performance

<table>
<thead>
<tr>
<th>Knowledge</th>
<th>x</th>
<th>Skill = Ability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitude</td>
<td>x</td>
<td>Situation = Motivation</td>
</tr>
<tr>
<td>Ability</td>
<td>x</td>
<td>Motivation = Human performance</td>
</tr>
<tr>
<td>Human Performance</td>
<td>x</td>
<td>Resource = Organizational performance</td>
</tr>
</tbody>
</table>


High performance organizations have been defined as groups of employees who produce desired goods or services at higher quality with the same or fewer resources and whose productivity and quality improve continuously, day by day, week after week, and year to year, leading to the achievement of their mission (Popovich, 1998). The author further asserted that high performance organizations are the one’s which are clear in their missions, define outcomes and focus on results, empower employees, motivate and inspire them to succeed, are flexible and adjust quickly to new conditions, are competitive in terms of performance, restructure work processes to meet customer needs, and maintain communications with stakeholders.

Individual performances are most likely to contribute towards organizational performance (See Perry & Wise, 1990; Brewer & Selden, 1998a; Brewer & Selden 1999; Brewer, Selden, & Facer, 2000). Consequently, agencies with higher-performing employees are expected to be higher performing agencies. Performance is thus, a function of both individual employee performance and the higher-level context in which the jobs are performed (Gelade, 2003) and HRD in organizational context is a mechanism that provides opportunities for an individual worker to improve current and future job performance, while simultaneously best utilizing human capital in
order to improve the efficiency of the organization itself (Byrne, 1999). Ideally, well-developed and well-implemented HRD systems are integral to the company’s strategic plan and benefit both the employee as well as the company.

Many researchers found links between psychological measures of the work environment (climate, perceptions, attitudes, satisfaction etc.) and performance at the organization level (Gelade, 2003). Ostroff (1992) demonstrated correlations between average levels of teacher satisfaction, commitment, adjustment and stress with school effectiveness as measured by student achievement, attendance and drop-out rates. Likewise, West, Smith, Feng, and Lawthom (1998) found connections between staff perceptions of climate and the research excellence of university departments. Similar relationships were found in commercial organizations also. Take for instance, Kotter and Heskett’s (1992) exhibition of positive correlation between perceived strength of a company’s culture and long-term economic performance as measured by net income growth, return on investment and increase in stock price over a ten year period.

4.10 Measuring Organizational Performance

Organizational performance as a dependent variable is a complex phenomenon which is difficult to measure especially in public sector. Performance as mentioned earlier, is the outcome of various processes undertaken by an organization keeping in view its goals and objectives. Several studies reveal that effective public sector performance is more often driven by organizational environment, size, design, strong organizational cultures, good management practices, and effective communication networks, and, also by rules and regulation or procedures and pay scales (Grindle & Hilderbrand, 1995). Therefore, investigating the influence of a particular system or process or mechanism on the whole organizational performance is always hard to analyse. The present research is concerned with organizational performance in context to HRD. It is aimed at creating a measurable link between HRD climate and organizational performance. The consideration is that since human resources in any organization occupies a pivotal place and are considered to be the primary source of competitive advantage, it becomes inevitably important from a managerial as well as research point of view to judge the viability of existing HRD structure within the organization and the impact it has on overall performance.
Past researches convey that performance is analyzed through objective or subjective measures (Dyers & Reeves, 1995). However, objective data is preferred since it is believed to be less biased, but objective data is not always available, especially in public sector, hence, at that juncture subjective (i.e., perceptual) performance measures may be a reasonable alternative (Allen & Helms, 2002; Delaney & Huselid, 1996; Dess & Robinson, 1984; Dollinger & Golden, 1992; McCracken, McIlwain & Fottler, 2001; Venkatraman & Ramanujam, 1987). Although, perceptual data appears to be doubtful and not so trustworthy, yet the research has shown high correlation between perceptual and objective measures at the organizational level. For instance, Dess and Robinson (1984) found a strong positive correlation between perceptual data and financial performance measures. Others have also found measures of perceived organizational performance correlate positively with objective measures of organizational performance (Dollinger & Golden, 1992; McCracken, McIlwain & Fottler, 2001; Powell, 1992; Venkatraman & Ramanujam, 1987).

The essence of the concept of organizational performance lies in exploring whether the organization has done well in carrying and discharging its administrative and operational functions pursuant to its mission and whether the agency actually produces the actions and outputs pursuant to its mission or the institutional mandate (Sangmook, 2005) and whether the internal management and operations have contributed substantially to the achievement of these goals (Rainey & Steinbauer, 1999). The matter of concern for researchers now is to decide a valid set of measures or variables of organizational performance.

There has always been a lack of consensus as to what constitutes a valid set of organizational performance and organizational effectiveness criteria (Au, 1996; Forbes, 1998; Ostroff, 1992). Although many researchers relied on a single indicator, there seems to be a general agreement that multiple internal (preferred by internal participants) and external (preferred by clients and citizens) criteria are needed for a more comprehensive evaluation of organizations (Cameron, 1986; Connolly, Conlon & Deutsch, 1980). Brewer and Selden (2000) maintained that previous researcher were concerned only about traditional financial efficiency-related measures of performance and neglected other values such as equity and fairness. Such traditional financial accounting measures of performance like return on investment and earnings per share can produce misleading conclusions about organizational effectiveness.
Chapter 4  HRD Climate and Organizational Performance

(Kaplan & Norton, 1992; Judge, 1994). The authors (Brewer & Selden) further argued that researchers establishing their own meanings of organizational effectiveness and set arbitrary indicators, should rather ask, ‘effectiveness from whose perspective’.

Brewer and Selden (2000) proposed a measure of organizational performance based on the perceptions of the organization’s members. They maintained the basic assumption of organizational psychology that organizations and individuals are interdependent (Pfeffer&Salancik, 1978). However, found less attention been paid to the bases upon which members of the organization assess its effectiveness. They classified the dimensions of organizational performance in the public sector into internal and external performance, and each specifies the following performance-related values: efficiency, effectiveness, and fairness. The present study uses the same perceptual model to measure the performance of public health care sector of Kashmir. Organizational performance is assumed to be affected by HRD climate.

<table>
<thead>
<tr>
<th>Administrative Values</th>
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</thead>
<tbody>
<tr>
<td>Efficiency</td>
</tr>
<tr>
<td>Internal Efficiency</td>
</tr>
<tr>
<td>External Efficiency</td>
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</table>


**Fig. 4.2: Dimensions of organizational performance**

The literature posits two types of factors that affect organizational performance in public sector organizations i.e., agency level factors and individual level factors (Rainey & Steinbauer, 1999; Brewer & Selden, 2000; Sangmook, 2005). Five agency level and four individual level factors which may affect agency performance were identified. One such factor is human capital and capacity. The present study considers this single factor to measure and explain its relationship with organizational performance.
4.11 HRD and Organizational Performance – Establishing a theoretical Link

The impact of human resource policies and practices on organizational effectiveness has always been an important topic of discussion in the fields of HRM, Industrial and Organization Psychology (Kleiner, 1990; Jones & Wright, 1992). A growing contention among HR professional and academics is that organizational human resource policies can, if properly configured, provide a direct and economically significant contribution to a firm’s performance. Moreover, the existing literature renders substantial evidence that individual human resource practices, as well as internally consistent systems or bundles of HR system, can indeed directly influence organizational performance (Russell et al., 1985; Kleiner et al., 1987; Terpstra & Rozell, 1993; Arthur, 1994; Kochan & Osterman, 1994; Pfeffer, 1995; Osterman, 1994; MacDuffie, 1995).

Over the past few decades, a plenty of research has been conducted both within specific industries as well as across industries to demonstrate that enormous economic returns were obtained through the implementation of high involvement, high performance or high commitment management practices. Table 4.3 provides a brief recount of few such studies carried out by the researchers with a view to explore the HR-performance linkages. The relationships have clearly been established. From finding a positive relationship between HRD and performance to emphasizing that people are the strategy (Waterman, 1994), the vital role of human resource in any organization’s success has been well researched, established and acknowledged.

Table 4.3: Summary of major studies in HRD-Organizational Performance relationship

<table>
<thead>
<tr>
<th>Researcher(s)/Author(s)</th>
<th>Views/Reflections/research findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bluedorn (1982)</td>
<td>Extremely higher or low levels of employee turnover reduced profits.</td>
</tr>
<tr>
<td>Flamholtz (1985)</td>
<td>The economic returns from investment in human resources policy and practices are substantial.</td>
</tr>
<tr>
<td>Guzzo, Jette and Katzell (1985)</td>
<td>HR Management interventions involving training goal setting etc. had a significant positive effect on productivity.</td>
</tr>
<tr>
<td>Becker and Olson (1986)</td>
<td>Strikes have a substantial negative effect on shareholder equity.</td>
</tr>
<tr>
<td>Author</td>
<td>Summary</td>
</tr>
<tr>
<td>-------------------------</td>
<td>-------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Schuster (1986)</td>
<td>Use of greater number of HR interventions like assessment centres, flexible work schedules, gain sharing and organizational development had a substantial and positive effect on firm’s performance.</td>
</tr>
<tr>
<td>Holzer (1987)</td>
<td>Some forms of recruiting system increased productivity.</td>
</tr>
<tr>
<td>Katz, Kochan and Keefe</td>
<td>Innovative work practices like increased managerial discretion in allocation of labor hours, job transfers and lay-off improved productivity.</td>
</tr>
<tr>
<td>Bartel (1989)</td>
<td>Training program increased productivity between 11% and 18%.</td>
</tr>
<tr>
<td>Ichniowski (1990)</td>
<td>Found a positive association between the firm’s HR management practices and organizational productivity.</td>
</tr>
<tr>
<td>Pfeffer (1994)</td>
<td>Found a significant correlation between high commitment work practices such as employment security, high wages, employee ownership, information sharing, participation and empowerment, cross-training and redesign of jobs, and organization’s performance.</td>
</tr>
<tr>
<td>Arthur (1994)</td>
<td>Empirically identified the mills with commitment system which had higher productivity and lower employee turnover than those with control systems.</td>
</tr>
<tr>
<td>Huselid (1995)</td>
<td>Found a significant correlation between implementation of high performance work practices and company’s financial performance.</td>
</tr>
<tr>
<td>Ostroff (1995)</td>
<td>Developed an HR quality index consistently outperform firms with a lower index in four financial measures’ Markel/book value ratio, productivity (i.e. sales/employees) market value, and sales.</td>
</tr>
<tr>
<td>Youndt, M. A. et al.,</td>
<td>Found that the HR system focused on Human capital enhancement was directly related to multiple dimensions of operational performance (i.e., employee productivity, machine efficiency, and, customer alignment).</td>
</tr>
<tr>
<td>Ostroff, C. and Bowen, D. E. (2000)</td>
<td>The authors proposed a meso paradigm for understanding linkages between human resource (HR) practices and firm performance. They adopted the perspective that HR practices shape the skills, attitudes, and behaviors of an organization’s workforce, and these skills, attitudes, and behaviors in turn influence organizational behavior and that HR practices can have a direct impact on firm performance by creating structure and operation efficiencies.</td>
</tr>
<tr>
<td>Wright, P. M. et al.,</td>
<td>Analyzed the impact of HR practices and organizational</td>
</tr>
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</table>
commitment on the operating performance and profitability of business units. The study revealed that both organizational commitment and HR practices are significantly related to operational measure of performance, as well as operating expenses and pre-tax profits.

April Chang, W. J., and Chun Huang, T. (2005). Examined the impact of product market strategy (PMS) on the relationship between SHRM and firm performance. The study supported the contingency perspective indicating that a fit between SHRM and PMS contributes to firm performance.

Combs, J. et al., (2006) By using meta analysis to reduce the effects of sampling and measurement, the authors estimated that organizations can increase their performance by 0.20 of a standardized unit for each unit increase in High performance work practices (HPWP) use.

Jiang, K., Lepak, D. P., Hu, J., and Baer, J. C. (2012). Found all three dimension of HR systems they identified i.e., skill-enhancing, motivation-enhancing and opportunity-enhancing, related to financial outcomes both directly and indirectly by influencing human capital and employee motivation as well as voluntary turnover and operation outcomes in sequence.


Human resources are now seen as a source of competitive advantage (Barney, 1991) and the success of any organization therefore, depends largely on how well these resources are maintained. Grant (1996), Teece (1998), and, Teece et al., (1997) suggested that sustainability of advantage can reasonably be anticipated if a firm is able to continuously identify, upgrade, rejuvenate and reinvent valuable resources and has the ability to create an environment in which they can be self-reinforcing and enhancing in value and strength, thus causing the imitating firms sustain major cost disadvantages. While, Barney (1991) asserted that if the existing resources are not renewed in conjunction with changing environmental conditions, the strength of a firm’s original strategic assets may soon be nullified by the changing competitive profiles. Therefore, sustainability of competitive edge does not only depend on the nature of resource bundles but at the same time, also on the firm’s ability to renew, reallocate, rejuvenate and redefine its resources to help them to cope with the changing business environment. Consequently, making it essential on the part of
organizations to ensure effective personnel policies and sound HRD climate, which is self-reinforcing, self-rejuvenating, and, self-enhancing in value and strength.

Researchers have suggested several ways as to how organizations can maintain high commitment and high performance among employees and ultimately organization effectiveness (Burack & Morgan, 1994). Such exhaustive suggestions included; promoting the organizations credibility with employees; encouraging the use of participative management and employee involvement programmes; focusing on high achievement mutual trust and commitment; and developing a combined group entrepreneurial approach to management, thereby creating an organizational culture in which individual employees are encouraged to be adaptive, competitive and successful. A firm that develops a sound selection system and has attractive HR programs such as higher than normal compensation packages and numerous development opportunities, can attract, select and maintain the highest quality resource pool (Wright et al., 1994). Similarly, developing a goodsytem of reward, communication, effective training programmes and socialization that encourage employees to act in the interest of the firmmay add more to the value of the firm (Shuer & McMillan, 1984). Hence, in this perspective, developing human resource assumes immense importance in the eyes of management of any organization which strives hard to achieve and sustain excellence through its work force.

4.12 Hospital: As an Organization

An organization has been defined as a systematic arrangement of two or more people or entities that fulfil formal roles and share a common purpose. Besides hospital, a college or university is also an example of an organization, as are fraternities, government agencies, churches. Microsoft and the neighbourhood pharmacy are all organizations because they all have three common characteristics.First, every organization has a distinct purpose or mission which is typically expressed in terms of a goal or set of goals. Second, every organization is a group of people and at the third, they all develop a systematic structure that defines formal roles and limits the behaviour of its members. Development of a structure would include, for example, determination of rules and regulations, defining authority and responsibility relationships, documentation of tasks, and, writing up job descriptions so that members know what they are supposed to do. The term
organization therefore refers to an entity that has a distinct purpose, includes people or members, and has a systematic structure (Robbins, S. P., 1997).

Hospitals are mainly structured as bureaucratic organizations and employ bureaucratic principles. A principle of bureaucratic organization that applies to hospitals is the systematic arrangement of individual positions into a hierarchy. Another effective principle of hospital organization is the consistent system of rule which involves various guidelines or official boundaries for actions within the hospital. Examples of such rules include the set of personnel policies outlined in the employee handbook for the care of patients.

Hospitals also use the principle of span of control very effectively. The concept of span of control limits the number of subordinates, a manager can effectively supervise. In a hospital, a span of control between 5 and 10 people for any manager, in a given functional area is normal to achieve operational effectiveness. This is especially true in the classical functional department of a hospital such as housekeeping, dietary, and nursing. There is also a division and specialization of labor in hospitals. Specialization refers to the ways a hospital identifies specific tasks, assign description to each job, and, organize and assign specific duties to specific people. For example, a nurse’s aide has specific tasks to perform and that are different from those of a physician, a registered nurse, or a medical technologist. The future hospitals are believed to be more flexible in their approaches and organizational structuring to have multiple worker job descriptions.

As per Mario C. De Souza and Roy A. K.(1991), Hospital differs from other organizations in many ways like the following:
1. A hospital renders mostly personalized service of care and treatment to the individual patient. The prominent values are humanitarian, professional and social. The patient’s needs are always of the greatest importance.
2. Hospitals are becoming increasingly responsive to the health needs of the surrounding community. This response is often closely integrated with the needs of the patients.
3. Much of the work of the hospitals is of an urgent nature and cannot be postponed.
4. There is great diversity and variability in the nature and volume of work; the hospital has to adjust to its workload.
5. There is a mix of professionals (predominant group) skilled and semi-skilled
workers. They work as a team with self-discipline and constant informal adjustments of the members of the team.

Hospital organisations are complex social systems meant to achieve defined goals. They must respond to variables such as people, environment, tasks, technology and other factors, which interact with each other. It is necessary that they bring about integration and collaboration to achieve the goals and objectives. They operate best when employees can rely on clear and established guidelines, specialization of work is developed, and, co-ordination and controls are set with well-defined rules and authority.

4.13 Structure of Hospital Organization

Although there can be a variety of organizational structures, the traditional free standing hospital structure is a pyramid or hierarchical form of organization. This arrangement is common also within the different hospital functions and departments. Under this structure, individuals at the top of the pyramid (like department heads) have a specified range of authority, and this authority is passed down to employees at the lower levels in the pyramid, in a chain-of-command fashion. In this way, hospital authority is dispersed throughout the organization. Hospitals encourage a pyramidal structure for example, a department head may delegate to two supervisors and they in turn delegate to two or three subordinates, who in turn may even delegate farther down the pyramid. Such organizations tend to follow the principles of bureaucracy like division of labor, organizational hierarchy, rules, chain of command, span or control, coordination and so on and so forth.

Division of labor and organizational hierarchy

There are so many tasks to be performed in a hospital and each worker must know his or her role. The principle of division of labour suggests grouping of tasks and distribution of labor as per the skills and potential of people. Hospitals have scores of specialty tasks to accomplish and division of work makes it easy to accomplish these tasks. Another key bureaucratic structure is a pyramid or hierarchical form of organization in which the various employee positions within each hospital department are arranged in a hierarchical fashion. At the top of the pyramid is a department head. The authority is passed down to supervisors at lower levels in the hierarchy. These levels of authority create the principle of the chain of command.
 **A system of rules**

Hospitals also operate according to a set of rules and regulations that outline the boundaries for employee actions within the institution. A hospital’s personnel policies are described in a handbook that is distributed to employees. Written nursing procedures that outline how to care for patients are an example of an effective and consistent system of hospital rules. The hospital support departments of housekeeping, dietary, and maintenance are also run according to rules. The modern-day hospital cannot operate efficiently without detailed organization rules and regulations.

 **Span of Control**

According to classical organization principles, each supervisor can direct only a limited number of subordinates or functions the exact number that a supervisor can properly supervise is debatable and may depend on the supervisor’s or manager’s level in the organization. The hospital’s chief executive officer has such broad responsibilities and functions that three, four, or five subordinates reporting to this individual might be quite appropriate, where managers at lower levels in the organization might be assigned twice that number of functions. Classical organizational theories hold that the more efficient organizations have a smaller span of control. In addition, each employee in the hospital should be responsible to one boss. Violation of the unity of command principle by employees can lead to disciplinary action because it represents a violation of authority.

 **Line and Staff authority**

Line authority denotes direct supervision of subordinates; for example, the head pharmacist is directly responsible for all the employees within the pharmacy under his or her supervision. In contrast, the staff function in the hospital generally is associated with advisory activities rather than direct supervision. The distinction between line and staff is seen dramatically within the hospital’s nursing services department. In the nursing department, line authority is carried out by managers and supervisors who hold the positions of nurse managers, head nurses, or nursing supervisors. The staff functions in nursing are frequently the responsibility of the trainers or educators. They conduct training called in service; they are usually advisory to the managers and their line employees.
Coordination
With so many activities, departments, and functions in today’s hospital, it is essential that they are coordinated effectively. Coordination is making sure that the different work efforts within the institution are synchronized and that they work together in harmony in order to achieve that hospital’s purpose or mission. Usually it is the hospital’s middle management which is responsible for ensuring coordination among departments. Unfortunately, departmental activities are not always coordinated. One of the main barriers to effective coordination is poor communication. Generally when a hospital has measured communication among departments, coordination is much easier to accomplish.

Hospitals, like any other organization, also work for a mission and strive to achieve so many objectives. Hospitals too plan, organize, direct, coordinate and control processes, people, and time and many other things, to ensure timely achievement of such objectives. The top management of the hospitals or the administration in the government set up fulfills this role. The function encompasses defining an organization’s goals, establishing an overall strategy for achieving those goals, and developing a comprehensive hierarchy of plans to integrate and coordinate activities. Managers in administration are responsible for designing an organization’s structure. This involves determination of tasks to be done, grouping of tasks, division of labor, assignment of work, who reports to whom, and where in the organization decisions are to be made. Every hospital contains people, and it is the hospital administration’s job to direct and coordinate those people.

4.14 Definitions of Hospitals
The word ‘hospital’ has been derived from the Latin word ‘hospitalis’ which comes from ‘hospes’ meaning a host. The English word ‘hospital’ comes from the French word ‘hospitale, 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 the injured. It is an institution in which sick or injured person are treated and where in-patients are received and treated. 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 of 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”.

Steadman’s Medical Dictionary defines a hospital 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”. As per 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”. Sharma and Goel (2013) provided a more comprehensive definition of hospitals covering all the aspects. They contended that 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; conducts educational and training programmes for the personnel particularly required for efficacious medical care and hospital service; and conducts research assisting the advancement of medical service and hospital services and which conducts programmes in health education.

Today, a hospital is a place for the diagnosis and treatment of human ills and restoration of health and well-beings of those temporarily deprived of these. A large number of professionally and technically skilled people apply their knowledge and skill with the help of complicated equipment and appliances to produce quality care for patient. The excellence of the product for a hospital therefore, depends on how well the human and material resources are applied to promote patient care.

4.15 Functions of Hospitals

Hospital care is multi-dimensional. It is a service provided by a coordinated group of professional, technical, supportive, and other workers under the direction of a physician. The quality of the care received by patients is affected by; the adequacy of the hospital facilities and their maintenance, the administrative and
professional structure of the hospital, the competence of the personnel, and by the interpersonal relations among the staff as well as other stakeholders involved (Goel & Kumar, 2002). The main function of a hospital is to promote the health of the community which it serves. However, the authors further categorized the various functions of hospital under the heads like: patient care, training, medical education, and, health education.

The first and foremost function of a hospital is to provide curative services to the sick and injured and restore the health of diseased person. At the second, there is the education and training of doctors and nurses. Over the years the highly sophisticated activities like radiology processes, laboratory functions, highly advanced surgical techniques and much more have demanded a variety of skills and knowledge. Continuous training and development programmes help healthcare employees to update their knowledge and learn new skills. The third important function of hospital is to support and conduct medical research. The hospitals can develop facilities for research with comparative ease and speed if the staff and administration are properly motivated. Finally, the hospitals support and assist all activities carried out by various public health and voluntary agencies to prevent disease and promote positive health attitudes in the community through health education.

A WHO document (Technical Report Series, 1968) stated the hospital as an integral part of a social and medical organization, the function of which is to provide for the population, complete health care, both curative and preventive, and whose outpatient services reach out to the family in its home environment; the hospital is also a center for the training for health workers and for bio-social research. In the dynamic society, the hospital occupies a unique place to accommodate explosion of science into medicine and the galaxy of new treatment techniques, new equipment and proliferation of services which have made a profound impact on the provision of care facilities and services.

4.16 Classification of Hospitals

Hospitals may be classified in a number of ways. However, Sharma and Goel (2013) in their book ‘Hospital administration and Human Resource Management’
classifies hospitals on the basis of ownership/control, length of stay of patients, and, clinical basis.

- **Classification on the basis of Ownership/Control**
  Given the ownership or control, the hospitals have been classified into four categories which include public hospitals, voluntary hospitals, private nursing homes and corporate hospitals. Public hospitals include the ones that are run by the central government, state government or local bodies on non-commercial lines. These hospitals are further been classified as general hospitals or specialized hospitals. A general hospital is one which provides treatment for common diseases, whereas specialized hospitals provide treatment for specific diseases like infectious diseases, cancer, eye diseases, psychiatric ailments, etc. Voluntary hospitals include those hospitals which are established and incorporated under the Societies Registration Act, 1890 or Public Trust Act, 1882 or any other appropriate Act of the central or state government. These hospitals 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. Private nursing homes are private healthcare institutions which are run on commercial lines. Corporate hospitals are public limited companies formed under the companies Act. These can be general as well as specialised hospitals. They are normally run with commercial motives.

- **Classification according to Length of Patient Stay**
  Depending on the nature of disease the stay of a patient may be both short as well long. Therefore, a hospital is also categorised under long-term or short-term hospital stay (now known as chronic-care or acute-care hospital respectively) as per the disease and treatment provided.

- **Classification on Clinical Basis**
  A clinical classification of hospitals identifies them as general hospitals and specialized hospital depending on their licenses. In a general hospital patients are treated for all kinds of diseases but in a specialized hospital, patients are treated only for those diseases for which that hospital has been set up.

- **Teaching as the basis of classification**
  Apart from the above, teaching and non teaching is also a common classification of hospitals. Teaching hospitals participate in the education of physicians through a residency program. Depending on the involvement and the participation of a university in its teaching programs, teaching hospitals are university hospitals,
university-affiliated, or freestanding. While, all other hospitals fall under non teaching hospital category.

- **Vertical Integration**

Hospitals have also been classified according to vertical integration (Wolpes, L. F., 1999). Under this system, hospitals are divided into primary care, secondary care, and tertiary care centers. Primary care facilities, regardless of location or structure, offer services on a need/demand basis to the public. Those entities are designed, equipped, staffed, organized, and operated as an integral part of a comprehensive health care system and offer health service in an available personalized and continuous fashion on an outpatient basis. Secondary care facilities render care that requires a degree of sophistication and skills and that is usually associated with the confinement of the care-seeker for a definite period of time. General acute hospitals or specialized outpatient facilities, such as ambulatory surgical centers, fall under this category. Tertiary care facilities render highly specialized services requiring highly technical resources. This type of care is usually offered by university medical centres or specialty hospitals, such as burn centers.

The Directory of Hospitals in India- 1988 provides the following classification of hospitals;

1. **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).

2. **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 medical discipline (e.g. general medicine, general surgery and obstetrics)

3. **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, and venereal diseases). The specialized departments, administratively attached to a general hospital and sometimes located in an annexy or separate ward be excluded and their beds should not be considered in this category or specialized hospitals.
4. **Teaching hospital.** A hospital to which a college is attached for medical/dental education.

5. **Isolation hospital.** This is a hospital for the care of persons suffering from infectious diseases requiring isolation of the patients.

6. **Tertiary hospital.** States and Central governments set up tertiary hospitals in their capitals where referred patients are treated such as AIIMS New Delhi, P.G.I Chandigarh, P.G.I Lucknow etc.

### 4.17 Ownership/Management of Hospitals

The directory of hospitals (1988) further provides the following types of management of hospitals in India:

- **Central government/Government of India.** All hospitals administered by government of India, viz. hospitals run by the railways, military/defense, mining/ESI/Post and Telegraphs, or public sector undertaking of the central government.

- **State government.** All hospitals administered by the state/UT government authorities and public sector undertakings operated by states/UTs, including the police, jail, canal departments and others.

- **Local bodies.** All hospitals administered by local bodies, viz. the municipal corporation, municipality, zilaparishad, panchayat.

- **Private.** All private hospitals owned by an individual or by a private organization.

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

- **Voluntary organization.** All hospitals operated by a 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.

- **Corporate body.** Hospitals run by a public limited company. Its shares can be purchased by the public and dividend distributed among its shareholders.
4.18 Human Resources in Health-care Sector

The health-care industry is labor intensive. The occupation encompassed by the health care industry can be divided into professional and service occupations. The distinction would cover three-fourth of all jobs in the industry, with the remainder of the jobs belonging to office and administrative support and management, business, and financial operations. Professional occupations include physicians, surgeons, dentists, nurses, social workers, and allied health workers. Service occupations include nursing aides, home health aides, buildings cleaning workers, dental assistants, medical assistants, and personal and home care aides. The following section addresses a few jobs, though focussing more on the professional occupations than the service occupations.

 Physicians
Physicians traditionally have been the focus of the healthcare industry. They are the people who primarily evaluate and diagnose patient’s conditions and prescribe treatment. Not all physicians practice medicine; some are involved in research to find better methods to evaluate, diagnose, treat, and deliver health care.

 Dentists
Dentists provide care for teeth and mouth tissue. A dentist’s duties might include filling cavities, performing corrective surgery on gums, replacing missing teeth with dentures, and providing preventive information on diet, brushing, and flossing.

 Pharmacists
Pharmacists traditionally dispense medications prescribed by physicians and non-physician providers and provide information about usage to patients. Recently, pharmacists have begun to play a role in comprehensive drug therapy management, which is a collaborative process of selecting drug therapies, educating patients, monitoring patients, and continually assessing outcomes of therapy.

 Allied Health Workers
There are more than 200 allied health occupations/workers. These workers assist physicians, dentists, and other health professionals in the evaluation, diagnosis, and treatment of patient’s conditions. They are also employed in health education, disease prevention, and environmental health control. Allied health professional can be classified into four (and sometimes more) categories: laboratory technologists and technicians, therapeutic science practitioners, behavioural sciences, and support
services. Laboratory technologists and technical are involved in the application of highly technical procedures that aid in the diagnosis and treatment of disease or in the monitoring of the effectiveness of treatment. This category includes radiologic technologists, nuclear medicine technologists, medical technologists, and cytotechnologists, among others. Therapeutic science practitioners are involved in the treatment of patients. This category includes physical therapists, occupational therapists, speech pathologists, radiation therapists, respiratory therapists, dieticians, dental hygienists, and non-physician practitioners. Behavioural scientists are involved in health education and disease prevention activities. Behavioural science professions include social workers, rehabilitation counsellors, and health educators. The support services category includes jobs created to cope with the complexity of the healthcare system. These personnel usually work behind the scenes and include health information administrators, dental laboratory technologist, electroencephalographic technologists, food service administrators, and surgical technologists among others.

- **Non-Physician Practitioners**

Non physician practitioners (NPPs) provide healthcare services in areas similar to those of physician, but do not have and MD or DO degree. They include physician assistants (PAs), who provide care under the direction of a physician; nurse practitioners (NPs), whole provide mostly primary care; and certified nurse midwives (CNMs), who are involved in gynaecological and obstetric care.

- **Nurses**

Nurses provide primary care to patients in both hospitals and clinic settings. Duties for nurses differ, depending on the type of settings in which they work. Nurses’ work in hospitals, nursing homes, private practices, ambulatory care centers, community and migrant health centers, emergency medical centers, managed care organizations, worksites, government and private agencies, clinics, schools, retirement communities, and rehabilitation centers. Because of the trends towards discharging patients from hospitals faster and performing many procedures in outpatient settings, nurses are increasingly being employed by outpatient centers and home healthcare organizations. People are at the heart of any healthcare organization, whether that organization is a major research teaching hospital, a primary healthcare clinic in the inner city, the county public health office, or a health maintenance organization. All too often, administrators, third-party payers, government, and even boards of directors see only the patients and technology. In reality, as all healthcare professionals know, it is the
people behind the technology, treatment protocols, services, and activities of the organization who ensure quality care. How healthcare organizations manage and invest in their human capital truly impact the quality of care and services provided.

4.19 History, growth and development of Hospitals

Medicine and surgery date back to the beginning of mankind because diseases preceded humans on earth. The medical treatment in past was always identified with religious service and was mainly practiced by the priests or medicine men, ministering to spirit, mind, and body while temples were used as meeting place (Wolper & Pena, in Wolper, L. F., 1999). Medicine as an organized entity first appeared 4000 years ago in the ancient region of South west Asia known as Mesopotamia. The first recorded doctor’s prescription came from Summer in ancient Babylon under the rule of Hammurabi (1728-1686 B.C.).

For centuries, the Greeks enjoyed the benefits of contact and cross-fertilization of ideas with numerous other ancient peoples, especially the Egyptians. Although patients were treated by magic rituals and cures were related to miracles and divine intervention, the Greeks recognized the natural causes of disease, and rational methods of healing were important. Moreover, what was known of human anatomy and physiology was more of a rational than a superstitious or religious nature.

Historical records show that efficient hospitals were constructed in India by 600 B.C. During the splendid reign of King Asoka (273-232 B.C.), Indian hospitals started to look like modern hospitals: they followed principles of sanitation, and caesarean sections were performed with close attention to technique in order to save both mother and infant. Physicians were appointed- one for every ten villages- to serve the health care needs of the population, and regional hospitals for the infirm and destitute were built by Buddha.

The development of efficient hospitals was an outstanding contribution of Islamic civilization. During the times of Prophet Mohammad (PBUH), a real system of hospitals was developed. Separate wards were set aside for different diseases, such as fever, eye conditions, diarrhea, wounds, and gynaecological disorders. Convalescing patients were separated from sicker patients, and provisions were made for ambulatory patients. Clinical reports of cases were collected and used for teaching.
The seventeenth century was the age of the scientific revolution, a major turning point in the history of hospitals and medicine. The most important inventions in the development of medicine and general science were the microscope. During the eighteenth century, there was a partial revival in the construction of hospitals. This century was not merely a period of construction of new hospitals, but a period of consolidation and systematization. Physicians and hospitals, over-whelmed by the revolutionary discoveries of the previous century, struggled bravely to absorb and utilize the mass of new technology. The nineteenth century is the key stone in the history of hospitals and is considered to be the beginning of modern medicine. Several events combined to produce the framework for the modern hospital.

The ideal modern hospital is a place where both ailing people seek and receive care and where clinical education is provided to medical students, nurses, and virtually the whole spectrum of health professionals. It provides continuing education for the practicing physicians and increasingly serves the function of an institution of higher learning for entire neighbourhoods, communities, and regions. In addition to its educational role the modern hospital conducts investigation studies and research in medical sciences both from clinical records and from its patients, as well as basic research in science, physics, and chemistry.

### 4.20 Evolution and Growth of Hospitals in Kashmir

Over the last one hundred and fifty years the healthcare in the valley of Kashmir has gone through a tremendous change. Prior to the Dogra rule or even until the end of 19th century, the responsibilities of healthcare were clearly distributed amongst various specialists or traders comprising of the Hakims (Physician), the Dhirke-gor (Leach applier), the Wattan-gor (Bone setter), the Waren (Midwife), and the Naevid (Barber). Hakims were revered by all sections of Kashmiri society in those days and reportedly there were 300 recognised hakims in the valley at the end of 1895 AD. These men were thought to be learned and knowledgeable and would acquire the secrets and theories of UnaniTib (Greek-Arabian system of medicine). Hakims mostly felt that the cause of disease in the body was the unhealthy blood. Therefore, they would prescribe bloodletting and recruit the services of a blood letter (Dhirke-gor) who would use leeches to suck and drain blood from the individual. The suffix gor or gar indicates a male tradesman involved with hands-on trade. A Wattan-gor dealt
mainly with Orthopaedic trauma with expertise ranged from a minor sprain to a broken spine while, a Waren was the specialist in gynaecological diseases and ailments. She would diagnose a pregnancy and look after the antenatal care. Moreover, Kashmir was no different from the rest of the world; barbers (Navied) were the surgeons.

The modern day practice of medicine in Kashmir started in the year 1865 with the formal opening of a dispensary. Dr William Elmslie is the first doctor to have conducted a surgery to remove a bladder stone from a Kashmiri patient. The arrival of Dr Theodore Maxwell in 1874 marked the birth of first ever hospital in Kashmir. Dr Theodore was followed by Dr Edmund Downes, who took over the administration of the hospital. Downes stayed for many years in Kashmir and treated thousands of patients. He also started touring the valley and carried with him a mobile dispensary. By 1914, the total bed capacity of the hospital increased to 150. The hospital was taken over by the State government in 1949 and was converted into a sanatorium/hospital to take care of the victims of tuberculosis. Currently, it functions as the Chest Diseases Hospital. Thus, “Elmslie planted the Medical Mission, Maxwell found it a permanent home and Downess consolidated and extended it, and especially built up a great surgical reputation” mentioned Ernest Neve (For reference, see Gulzar Mufti, 2013)

In 1889, two government funded hospitals were commissioned in two major cities of the State i.e., Srinagar and Jammu. By the end of 19th century, the state Medical Department had been established. The state was divided into two separate provinces, Jammu and Kashmir, and each province was divided into districts. The responsibility of healthcare administration of each province was given to a Chief Medical Officer (CMO). The valley was further divided into three districts, Srinagar, Baramulla and Anantnag. In 1942, the government of the day came up with another reorganisation plan. The CMO posts were abolished, the state was further divided into ten districts and each of these was put under the administrative control of a District Medical Officer (DMO). Prevention of disease was given further impetus with the establishment of the Preventable Diseases Bureau. Dispensaries at District headquarters of Baramulla and Anantnag, and bigger towns like Sopore and Shupiyana, were upgraded to Primary Health Centres and cottage hospitals. According to the Government Annual Administration Report (AAR) for the year 1945-1946, the number of health institution wholly maintained, subsidised or aided by the
Government in that year was 185. Kashmir National Hospital, John Bishop Memorial Hospital Anantnag, CMS Zenana Hospital Rainawari Srinagar, St Josephs Hospital Baramulla and Kashmir National Hospital and Maternity Home Srinagar received grant from the State Government. Three state of the art medical institutions, namely Sri Maharaja Hari Singh (SMHS) Hospital at Srinagar, Sri Maharaja Gulab Singh (SMGS) Hospital at Jammu City and Yuraj Karan Sing (YKS) Hospital at Mirpur (now in PAK) were built and commissioned. Two of these became the centres of Healing for the sick and the wounded for decades thereafter. Moreover, of the three newly created facilities, SHMS Hospital in Srinagar was the largest in size. It was also the last one to come to life.

4.21 Healthcare structure of Kashmir

The government in Jammu and Kashmir is the single largest provider of health services to the people of the state. The state owns a well mechanized health care structure with a three-tier institutional framework comprising of primary, secondary and tertiary care facilities. The primary care is designed to have three types of health care institutions which include a Sub-Centre (SC) for a population of 3000-5000, a Primary Health Centre (PHC) for 20000-30000 people and a community Health Centre (CHC) as referral centre for every four PHCs covering a population of 80000 to 1.2 lakh. The district-level hospitals in every district of the state function at the secondary level. While at the tertiary stage there exist many speciality as well as multi-speciality hospitals providing services to the patients referred from district hospitals. With a view to meet the growing healthcare needs of the people especially those living in rural areas, the State Government has been augmenting the best health care facilities available along with up-gradation/establishment of health institutions for its citizens, with a view to provide preventive and curative healthcare facilities at their door steps with the sole motive of making it accessible, acceptable and affordable to all. As a result, the delivery of healthcare services to the public at large witnessed significant expansion. There has been improvement in terms of infrastructure, machinery/equipments, manpower etc. which is not only improving the healthcare system but also restoring faith of the masses in the Public Health Facilities.

National Rural Health Mission (NRHM) in Jammu and Kashmir has brought a renewed emphasis on strengthening of public healthcare systems with the main objective of achieving the goal ‘Health for All’. The government has made substantial investments
for strengthening healthcare infrastructure, service providing capacities and ensuring uninterrupted supplies of drugs and equipments under NRHM. The performance of peripheral health institutions has indeed been improved as a result of equipping the District Hospitals with much needed machinery/ equipments and specialized manpower; strengthening Sub-District Hospitals/CHCs as First Referral Units (FRUs); and making Primary Health Centres functional as 24x7. Various steps have been taken by the department to enhance the accountability and transparency including professional audit, referral audit and prescription audit which have already started yielding positive results. The increase in the work load of peripheral health institutions is evidence to the growing belief of general public in the primary and secondary health facilities of the State thereby giving some breathing space to tertiary care hospitals for specialized cure.

Table 4.4: Detail of Health Institutions in Kashmir Division as on 31st August, 2015

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Category</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>District hospitals</td>
<td>12</td>
</tr>
<tr>
<td>02</td>
<td>Sub-District Hospital/CHCs</td>
<td>47</td>
</tr>
<tr>
<td>03</td>
<td>Primary Health Centers</td>
<td>228</td>
</tr>
<tr>
<td>04</td>
<td>Allopathic Dispensary</td>
<td>125</td>
</tr>
<tr>
<td>05</td>
<td>District TB centers</td>
<td>07</td>
</tr>
<tr>
<td>06</td>
<td>Mental Aid Centers</td>
<td>280</td>
</tr>
<tr>
<td>07</td>
<td>Sub-centers</td>
<td>939</td>
</tr>
<tr>
<td>08</td>
<td>MCH</td>
<td>01</td>
</tr>
<tr>
<td>09</td>
<td>Maternity Hospitals</td>
<td>09</td>
</tr>
<tr>
<td>10</td>
<td>Leprosy Hospital</td>
<td>01</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>1649</td>
</tr>
</tbody>
</table>

Source: Department of Health Jammu and Kashmir

4.22 Personnel Policies in Hospitals

Man power planning is the primary function of hospitals administration. Man power planning calls for the integration of information, formulation of policies and forecasting of future requirements of human resources so that the right personnel are available for the right job at the right time. Manpower planning starts with the analysis of the future needs of the hospital and its objectives. It determines organization structure, decides what jobs have to be filled what their requirement are. In the words of Sharma and Goel (2013) every hospital plan for manpower because of the following reason;

- Shortage of certain categories of employees.
- Advancement of medical science and technology resulting in need for new skills and new categories of employees.
• Changes in organization design and structure affecting manpower demand.
• Government policies in respect to reservation of seats for SC/ST/OBC/handicapped persons/women, and others.
• Labor laws affecting demand and supply of labor.
• International scenario of employment, e.g. employment of nurses, doctors, para medical personnel in USA, UK, Ireland, the gulf countries, etc.
• Introduction of computers.

The anticipation of the needs for manpower generally involves taking an inventory of the existing personnel who are in stock today, and what can be expected to be in stock tomorrow. The forecast is prepared every year for the next few years. Its objective is to determine the number of personnel likely to be needed on account of any reason whatsoever; promotion of employees to higher posts, losses that are likely to occur through resignations, discharge simplicities, dismissals, retirements, etc. Ultimately, the net requirements of the hospital are indicated. In Jammu and Kashmir, recruiting agencies like to Jammu and Kashmir Public Service Commission (JKPSC) and Jammu and Kashmir Service Selection Board (JKSSB) are authorized to make recruitment for the government. Once the vacancies in the hospitals arise, the director of health and family welfare department of the state send the list to the respective agency for recruitment. JKPSC is authorized for making gazetted recruitments while JKSSB conduct non-gazetted postings. The selected candidates for the advertised jobs after joining their respective duties are first kept under probation for two years. The appointees are confirmed only after the successful completion of their probation period.

4.22.1 Training and Development of Health-care employees

Training is a systematised tailor-made exercise to suit the needs of a particular organization of developing certain attitudes, skills and abilities sin employees irrespective of their functional levels. William McGhee and Paul W. Thayer (1961) recommended the following three-step approach to determine training needs:
1. Organization analysis to determine where training emphasis should be placed within the organization.
2. Operations analysis to decide as to what the training programme should consist of including a study of what a person should be taught, if he is to perform his task with maximum effectiveness.
3. Man analysis to determine who needs to be trained and what skills, knowledge or attitudes should be augmented or improved.
After the training need analysis (TNA) the next step is to frame a suitable training programme keeping in view the needs of the employees. The management as per their requirement generally provide the following four kinds of trainings:

- **Entry Training.** It involves the basic orientation or the induction training of an employee at the time of his/her joining the hospital.
- **Job training.** It is provided to the employees with the object of increasing their knowledge about their jobs, and also to enhance their efficiency. It enables employees to know the correct method of handling the machines and materials at their jobs.
- **Training for promotion.** It is provided in some organizations to fill higher posts from among the existing employees. This gives encouragement to employees to work harder.
- **Refresher Training.** It is arranged through short-term courses for the old employees to keep abreast of the latest development in their fields.

All jobs, whether in industries or hospitals, call for the use of certain skill and the application of different forms of knowledge. These jobs cannot be carried out effectively unless the skills and knowledge are properly imparted. Ghei (1992, cited in Sharma & Goel, 2013) stated that hospitals are looked upon as humanitarian institutions that operate 365 days a year, yet they encounter the same economic problems that the modern industry does. Therefore, in order to keep it updated, hospitals should maintain suitable pace with the day to day advancement in the field of medical science.

### 4.22.2 Employee’s Performance Appraisal in Hospitals

Every individual employee aspires for recognition and advancement. A proper system which provides for such aspirations, motivate employees to provide better results. However, on the other hand, the absence of such a system leads to frustration, disappointment, and lethargy, which result in the deterioration of performance. The success and efficiency of any organization depend to a large extent on how these basic requirements are taken care of. Performance appraisal is concerned with creating and maintaining a satisfactory level of performance of employee in his present job, highlighting his needs and potentials for personal growth and promoting understanding between the supervisor and his subordinate. Hospitals mostly appraise their employees annually. They give an annual increment to the employees on the bases of their performance. Annual increments are curtailed in case of less performing employee. Appraisals are normally done in the month of January or in the month of April every year.
depending upon the financial year. Annual increments of employees are released every year after their assessment.

4.22.3 Working conditions, Safety and Welfare of Health-care employees

The necessity of good working conditions in hospitals cannot be over-emphasized. Hospital employees are exposed to various threats as they work with people with disease. Therefore, providing good working conditions in hospitals will go a long way in improving the efficiency of the hospital employees, which in turn will improve the level of patient care. The environment in hospitals should be made as congenial as possible by providing good lighting facilities, balanced temperature, proper ventilation and hygiene. High physical standards should be maintained in the office buildings and patient wards.

Good working conditions keep employees cheerful and thus contribute towards greater efficiency. They also have a psychological impact on employees, considerable influencing their attitudes towards their job. Any sincere attempt to give real service to patients can bear fruit, only if the employees are given the right type of work environment and are provided with those basic amenities of life which have direct bearing on their efficiency. Employee-welfare plans should form an integral part of the overall scheme for raising efficiency of the employees. Some of the facilities and services which come within the purview of welfare plans and schemes are canteens, recreation rooms, rest rooms, transport etc.

4.23 Summary

The present chapter discussed in detail the concept of HRD climate and deliberated deep upon its components. This chapter also provided a good space to describe organizational performance and the methodology for measuring organizational performance. An attempt to establish a theoretical link between HRD and performance is also made in this chapter. The last section of this section deliberates upon the concept, evolution and ownership of hospital. It also traces the origin of hospitals and provides a brief account of the journey of health-care in Kashmir.