In the age of heightened global competition when technological innovations in the service industry are rising unexceptionally, to content for achieving superior organizational performance, none of the organization can undervalue the role of human resource, and more precisely in healthcare sector such as corporate hospitals, where satisfying the sophisticated and well informed healthcare consumers’ needs and expectations is critical. Simply the implementation of a conventional set of human resource management practices can no longer result in effective management of healthcare employees, nonetheless new approaches of innovative human resource practices are necessary to make these hospitals preeminent as well as intensify their competitiveness status in long term. Service quality in these hospitals is another crucial issue for attaining success and performance.

Whether or not human resource management practices lead to improved organizational performance, there is some mysterious and indefinable research gap, given the name ‘black box’ by the scholars through which these practices cause certain other factors, for instance, some of the research studies claim that human resource management practices strongly instigate the workplace members’ attitudes and behavior which in turn exceed performance outcomes of the individuals as well organizations (Hiltrop, 1996). Where numerous scholars have established that highly committed employees bring more favorable performance outcomes in organizations (Pil and MacDuffie 1996; Bashir, and Khattak 2008; and Huselid, 1995); many other research studies on organizational culture assert that the shared organizational values help in developing workplace members’ technical and behavioral skills (Magee, 2002; Hofstede, 1980; and Kotter and Heskett, 1992). Therefore, initiatives of practitioners related to human resource management directed on workplace members’ behavior to increase consumers’ satisfaction is of paramount importance (Berg and Toussaint, 2003).

Till date, numerous researchers have focused on regular basis on examining the issues related to human resource management practices, and the association between these practices and organizational performance for manufacturing as well as service industry in global context. Mostly, earlier studies in these related areas have been carried in Western countries exclusively. A very limited studies on probing relationship between human resource management practices and organizational
performance directed towards healthcare industry are available in Indian context. Additionally, these studies have somewhat failed in explaining what human resource practices are ‘best’ for investigating their influence on what type of organizational performances. Many of the scholars could not give complete picture of the relationship between the ‘best’ practices and organizational performance, because they ignored the impact of human resource management practices on workplace members’ work related attitudes and behaviors those have been found influencing the performance of organizations. This influence of human resource management practices has been overseen and is of vital importance. This study therefore needed to further analyze the impact of human resource management practices on organizational performance of corporate hospitals in an Indian context. Largely, the intent of present study was to examine the influence of ‘best’ human resource management practices on ‘subjective’ organizational performance, causes of changes in workplace members’ behaviors and their relationships with the performance, and barriers to the implementation of human resource management initiatives in corporate hospitals.

5.1 Summary of Findings

With an intention to comprehend the research objectives, a first-hand study of the medical and paramedical staff of the corporate hospitals operative in five major cities, namely, Delhi, Gurgaon, Faridabad, Ghaziabad, and Noida of National Capital Region was undertaken. The current study was projected to clarify the extent to which HRM practices (selective hiring, socialization, training, career development, performance appraisal, job security, compensation, job design, job flexibility, teamwork, information sharing, and employee participation) are best to influence the work related attitudes and behaviors of both the medical and paramedical staff in healthcare industry, grounded on an exploration method of study variables for examining the positive or negative impact of HRM practices on the job satisfaction, organizational commitment, shared organizational values and service quality delivered by hospitals’ staff, and then their relationships with subjective performance of corporate hospitals in India.

The research outcomes grounded on the data obtained from the field survey of a set of 214 employees working as doctors or paramedical staff in 13 multispecialty corporate hospitals of national capital region. More than half of the hospitals were having more
than 500 medical and paramedical employees. About the survey, the numbers of valid questionnaires were 214 out of 329 recorded respondents from the 377 identified subjects. Among the 214 respondents, 45.33 per cent were medical staff holding positions of physician/doctor and 54.67 per cent were the paramedical staff of the surveyed corporate hospitals. Out of the 97 doctors, 27.84 per cent were from Delhi, 22.68 per cent from Gurugram, 19.59 per cent from Faridabad, only 17.53 per cent from Ghaziabad, and the rest 12.37 per cent were from hospitals situated in Noida region, on the other side, from a sample of 117 paramedical staff, 23.93 per cent were working in hospitals of Delhi, 23.08 per cent of Gurugram, 23.08 per cent of Faridabad, only 18.80 per cent of Ghaziabad, and the remaining 5.98 per cent were working in the hospitals of Noida region, which represents a fairly balanced sample undertaken for the study (see Table 3.1). Overall, the study resulted in a useable response rate of 65.05 per cent.

Of the total sample, females were 42.27 per cent of doctors and 67.52 per cent of the paramedical staff which reflects the higher representation of females in case of paramedical staff as compared to the medical staff. Surprisingly, the overall representation of females (56.07) was also higher to males which were 43.93 per cent of the total sampled subjects. There were more experienced respondents representing 42.06 per cent of the sample having 5-10 years and 45.79 per cent even more than 10 years of work experience which reflects the preference of corporate hospitals while hiring the employees. In addition, majority of the respondents either were in the age group of 30 to 40 years (41.12%) or more than 40 years of age (42.52%). Only 16.36 per cent respondents were aged below 30 years. Regarding their marital status, the study indicated that majority of the doctors either male (37 out of 56) or female (29 out of 41) respondents were married, likewise the paramedical staff either male (25 out of 38) or female (61 out of 79) respondents were married, which may be a reflection of the proportion of employees in the sample. The following table presents the distribution of respondents based on gender and job position of the medical and paramedical employees.

5.1.1 HRM practices and organizational performance – the linkage

A factor analysis was used to analyze the data related to HRM practices using principal component analysis as the extraction method and varimax as a technique of
rotation to determine how many factors were being measured by the instrument. A set of 12 factors was extracted using of 66 indicators for assessing HRM initiatives of employers in corporate hospitals.

The results of this part of the study show that all the dimensions of HRM practices are significantly related to the organizational performance. The researcher therefore accepts the hypotheses that HRM practices (selective hiring, socialization, training, career development, performance appraisal, job security, compensation, job design, job flexibility, teamwork, information sharing, and employee participation) have strong association with organizational performance in corporate hospitals under study.

5.1.2 Relationship of HRM Practices with Organizational Performance in terms of Service Quality

Having described the HRM practices and their influence on organizational performance, the next phase was to identify linkage of HRM practices with organizational performance in terms of service quality. For the purpose, a set of four dimensions detailing service quality including ‘reliability’; ‘responsiveness’; ‘assurance’; and ‘empathy’ were analyzed. Based on the analysis of the data, the study established the following:

1. Well-implemented HRM practices is potential to improve service quality in corporate hospitals;

2. better HRM practices does not contribute to better organizational performance of a hospital;

3. better service quality results in better organizational performance of a hospital; and

4. better HRM practices implementation through service quality support will result in better organizational performance of a hospital.

5.1.3 Linkage among HRM Practices, Workplace Members’ Work Related Attitudes and Behaviors, and Organizational Performance

After examining the effects of HRM practices on service quality and organizational performance, the next segment of the study focused on linkage among HRM practices, employees’ work related attitudes, and the organizational performance.
Firstly, a set of ten items for the question of ‘job satisfaction’; secondly, three questions comprising of organizational commitment including eight items for ‘Affective commitment’; eight items for ‘Continuance commitment’; and eight items for ‘Normative commitment’, and finally three items for the question of ‘Shared organizational values’ have been analyzed.

The mean scores suggest the sample has only moderate levels of the desired work-related attitudes, and correspondingly HRM appears to be practiced to a moderate degree within the participant hospitals in this study. Data reveal relationships between perceptions about shared values, the work-related attitudinal outcomes of organizational commitment, job satisfaction and perceptions about HRM practices to be highly correlated and statistically significant. Therefore, the study established the following:

- Well-implemented HRM practices is potential to improve shared values, job satisfaction and affective commitment in corporate hospitals;
- better HRM practices does not contribute to better organizational performance of a hospital;
- higher shared values, job satisfaction and affective commitment results in better organizational performance of a hospital; and
- better HRM practices implementation through shared values, job satisfaction and affective commitment support will result in better organizational performance of a hospital.

### 5.1.4 Barriers to HRM Practices

In the last segment of the study, a set of six questions (seven items for ‘HRM Effectiveness’, two items for ‘Hospital HR Helpfulness’, seven items for ‘Hospital Management attitudes’, three items for ‘HR staff’, three items for ‘HRM nature’, and seven items for ‘Other barriers to HRM’) was extracted using factor analysis from a 29-item scale of measurement and were analyzed.

#### 5.1.4.1 Barriers to the take-up of Effective HRM practices

The mean scores and standard deviations show that on the scale of HRM effectiveness, results are not generally seen as very effective as the scores are mostly
below the midpoint of the scale used for the items as a five-point response format in
the survey instrument. The HRM staff of these hospitals were generally seen as at
least moderately helpful to both medical and paramedical employees, although there
is general agreement that they lack the knowledge, skills, influence, credibility and
perspective on their roles to implement a strategic approach to HRM. There was also
general agreement that HRM as a field lacks enough proven knowledge and that its
long-term impact is difficult to quantify, although it was believed that people can be
managed in a rational, logical way.

5.2 Conclusions

5.2.1 Human Resource Management Practices those influence Organizational
Performance

The researcher examined the relationship between HRM practices and organizational
performance in corporate hospitals in India. The extant literature provides strong
evidence of effective HRM practices and their relationship with organizational
performance in physical and attitudinal dimensions. The study empirically
substantiated the results of earlier studies with regard to this linkage. The study
highlights the importance of HRM practices to achieve and sustain superior
performance in changing business environment and need for an integrated approach
toward formulation and implementation of HRM practices. The companies need to
proactively pursue a strategic approach to HRM practices and invest in such practices
to achieve sustainable competitive advantage in tangible and intangible dimensions.
The study indicated that HRM practices (selective hiring, socialization, training,
career development, performance appraisal, job security, compensation, job design,
job flexibility, teamwork, information sharing, and employee participation) have
statistically significant relationship with organizational performance. Together with
earlier studies on HRM practices and companies’ performance, the result of present
study indicate that extensive use of an integrated approach to efficient HRM practices
yield positive results in term of their effects on organizational performance. The
results of this study are in harmony with the results of prior studies that HRM
practices of selective hiring, socialization, training, career development, performance
appraisal, job security, compensation, job design, job flexibility, teamwork,
information sharing, and employee participation have positive and significant
relationship with organizational performance (Chiu et al., 2002; Dreher and Dougherty, 2005; Jarventaus, 2007; Jyothi and Venkatesh, 2006). In Indian context, it would be pertinent to substantiate these results through empirical studies of other industries of the economy.

5.2.2 Relationship of Human Resource Management Practices with Organizational Performance in terms of Service Quality

Strategic human resource management practice cannot directly enhance service quality and organizational performance of a hospital; yet the implementation of strategic human resource management practice is able to improve organizational performance well through good implementation of service quality. Thus, service quality is the complete mediation variable. Strategic human resource management practice that is reflected on the job training, job opportunities, and insecurity is able to improve the refinement of knowledge management in hospital organization. The implementation of service quality as reflected on the reliability, responsiveness, assurance, and empathy for customers/patients’ needs is able to improve the performance of hospital organization.

5.2.3 Linkage among Human Resource Management Practices, Workplace Members’ Work Related Attitudes and Behaviors, and Organizational Performance

Lastly, this segment of the study set out to remedy a number of deficiencies in prior work. Amongst the results, perhaps the most important implications are for HRM theory. The correlations amongst the views of the majority of respondents, regardless of position in the organization, indicate that, to be seen as effective, HRM must meet the basic criteria of the developmental perspectives. That is, HRM practices must be long term in focus, integrated with one another and in line with the organisation's objectives to treat all employees fairly, increasing employee motivation, satisfaction and commitment, and helping all employees develop to their maximum potential. Thus, although critics are correct in asserting that both the ‘hard’ and the ‘soft’ practices of HRM are seldom effectively implemented in practice, the study found little evidence of conflict or incompatibility between these two theoretical perspectives in the results.
The use of a multiple constituency perspective on HRM was also generally supported, with significant differences found on the basis of the respondent’s position as either HRM staff, manager or employee, and their level in the organization. Although these findings were complicated by the greater reported familiarity with the organization’s HRM practices by HRM staff and higher level respondents, inclusion of three important constituencies rather than only HRM staff adds greater confidence to the results.

5.2.4 Understanding the Barriers to Human Resource Management Practices

Lastly, this segment of the study set out to identify the barriers that inhibit ability of corporate hospitals to take up new HRM initiatives designed to improve the organizational performance. The objective here was to evaluate initially, the extent to which HR department/staff was helpful to doctors and paramedical staff; secondly, the knowledge, skills, credibility etc. of HRM staff; thirdly the attitudes of management about implementation of HRM practices; and finally the effectiveness of HRM practices in these hospitals.

5.3 Recommendations

Based on this evaluation of the surveyed data under study, the following recommendations for the corporate hospitals can be drawn:

- HR functions are very important in all health care facilities.
- HR policy is important for all health care facilities as it is the guiding document for Human Resource Management.
- HR department needs strengthening and constant updating in line with those of the corporate sector.

Moreover, the HR processes and practices which may be adopted in corporate hospitals are:

- The organization structure of the HR department should comprise of the Director as head, HR manager, Assistant Managers and a number of HR executives looking after recruitment; training; safety, security, general administration, labor, vigilance, government regulations and legal issues.
- Regular trainings at the inductions and in service levels need to be carried out as frequently as possible both within the country and abroad.

- The HR department needs to be an integral part of the top management of these health care facilities so that HRM inputs and support for attaining the mission and vision of the organization are available at the highest levels.

- Round the clock HR support to the functioning of the hospitals is required because of the nature of the work of the hospitals.

- Human Resource Management modules may be introduced in brief in the training programmes for the medical and Paramedical staff.

- Hospitals should have a HR policy drawn as per international and national practices and standards. This should include human resources planning, recruitment, selection, placement, training, development, performance appraisal, compensation administration, incentives, employee benefits, social security, industrial relations, employee grievances, collective bargaining, personnel records and accounting and many other fields directly or indirectly related to management of human resources. Before adoption, this policy needs to be discussed with stakeholders including staff, patients and others. This policy can then become the basic document for HR practices and processes in the organization, though it would need to be revised from time to time.

- The corporate hospitals also need to have a strong grievance redressal mechanism both for the staff and users of the facilities. This should be inbuilt in the HR policy.

5.4 Future Research Avenues

Nevertheless, the findings of the current study have contributed to the empirical evidence of HRM practices for organizational performances. Clearly, additional research is needed on this complex topic. Future researchers may wish to replicate this study using a randomly-drawn national sample of prospective employees from other industries than healthcare or hospitals particularly, including respondents from other cultures as well. In addition, the effects of demographics such as sex, age, and work experience on cultural perceptions could be investigated. Many studies conclude that
cultural differences have great influence on managers’ decision to select and hire candidates (Furlong, Biggart, & Cartmel, 1996; Rai, 1999). This phenomenon is even greater in Asian countries than in others (Sendut, Madsen, & Thong, 1989), where culture is strongly embedded into business practices. This may be another issue for future research to address. Further, organizational variables such as HRM policies can be added to better comprehend the performance criteria. Finally, the ultimate interest would be to assess how HRM practices may affect important performance indicators such as productivity and profitability.

This study may serve as a foundation for future studies, in different hospital organizations, on a larger scale. The results of such studies can be very helpful for developing a new model of leadership with new implementation techniques that can be implemented easily and successfully in a cross cultural context. It is recommended therefore that this study be repeated in different countries and contexts.