

Basic Concepts of Health Care Human Resource Management

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Preface

I have been teaching human resource management for many years. Prior to teaching, I was in management. I realized as I managed employees how important human resource management is to the success of an organization. I think any human resource management course should be a core course for all managers, regardless of industry. If you can't manage your employees, your organization will not be successful, plain and simple. Yet it continues to amaze me how often a human resource department is located in the basement of a building, far from senior management.

Although larger organizations have established human resource management departments that managers can utilize, smaller organizations may not have an HR department; therefore, general management should be comfortable with human resource management activities. This textbook will provide information that both general managers and human resource managers can apply to the healthcare industry. The textbook is organized as follows:

■ Part 1: Introduction

This textbook provides a glimpse into the importance of human resource management (HRM) in all aspects of healthcare organizations. Each chapter discusses HRM and its role in many different aspects of healthcare management. The following is a summary of each of the chapters of this textbook as they relate to HRM.

Chapter 1

This introductory chapter emphasizes the important role that human resource management activities play in the operations of a healthcare organization. It is fascinating that human resource management activities were observed as early as 2000 B.C. Human resources can be applied to any activity of the operations of an organization, regardless of the industry. The role of HRM is briefly discussed in this chapter on organizational activities, including legal and ethical issues of the treatment, health and safety of employees and patients, careers in health care, labor unions in health care, job analysis and design, recruiting and selecting employees, employee benefits, training

and motivating employees, and terminating employees. Strategic planning, including labor budget and forecasting, is addressed because of the contribution of HRM to successful strategic planning. Emerging and current trends in human resource management are also discussed. The increased diversity of the patient and employee, the effect of technology and the globalization of the economy on healthcare delivery, the new trend of medical tourism, and the increased focus on accountability in the delivery of services and teamwork education are exciting changes in health care, which ultimately will improve patient care. All of these major changes have an impact on how human resource management assists with these organizational changes.

Chapter 2

A healthcare manager must be familiar with the different federal and state laws that affect the healthcare industry. The HRM department must provide training for all employees to ensure they understand the seriousness of violating the law as well as the differences between civil and criminal law and the penalties that may be imposed for breaking those laws. Federal and state laws and policies have been implemented to protect both the healthcare provider and the healthcare consumer. New laws have been passed and older laws have been amended to reflect needed changes regarding health care and the protection of its participants. If an organization and its employees perform research, Institutional Review Board (IRB) training must be implemented to ensure that ethical guidelines are followed when performing research on humans. Human resource departments and managers must discuss ethics in the workplace and develop a code of ethics for all employees to understand and follow. An aspect of ethical behavior is the issue of workplace bullying, which is common in the healthcare industry. Codes of ethics provide a standard for operation so that all participants understand that if they do not adhere to this code, there may be negative consequences. Because of continued legal changes, HRM offers training on a routine basis. Ethical training must also be offered on a continual basis. Employees at all levels are faced with healthcare ethical dilemmas.

■ Part II: Staffing the Organization

Chapter 3

Evaluating the workflow of any organization is the first step to developing jobs that ensure the desired outputs of an organization are produced. Once the workflow is analyzed, the next step is to create jobs for individuals who will be employed by the organization and who will be responsible for producing the output of the organization. Prior to creating the jobs, a job analysis must be performed to determine which type of activities an employee will need to perform within a certain position in the organization. Job analysis is the foundation of human resource management because it is required before an organization recruits individuals for specific jobs. At the conclusion

of a job analysis, a written job description and specifications are developed that outline the responsibilities, skills, and experience needed to perform the job successfully.

How the jobs are designed is an important part of development. The design must ensure the health and safety of the employees through ergonomics, that the work is performed efficiently, and that the employees are motivated to perform at a high level. Motivational job designs include flextime, job sharing, job enlargement, enrichment, rotation, and telework.

The same process must be performed if the organization decides to alter the way a service is being offered. For example, if electronic medical records will be implemented in a healthcare facility, it is necessary to determine the current workflow patterns and then redesign the projected workflow to accommodate the new technology. If an organization is diligent in these job processes, analysis and design will help the organization perform at its highest level.

Chapter 4

An organization should plan a systematic recruitment process to ensure that the appropriate candidates apply for positions. Organizations can recruit both internally and externally to the organization. Regardless of the recruitment method, the organization must assess the effectiveness of the types of recruitment methods chosen. Once the recruitment process has been completed, the next step is to select the appropriate candidates for the organization. This step consists of interviews and, in some instances, tests that assess aptitude, attitude, honesty, and personality. These processes must be legally defensible, which means that the processes must be objective and fair to all applicants. Human resource management plays a huge role in these processes in order to ensure that the most qualified applicants are hired for the organization.

■ Part III: Training and Developing the Organization

Chapter 5

Healthcare personnel represent one of the largest labor forces in the United States. This chapter provides an overview of the different types of employees in the healthcare industry. Some of them require many years of education; however, some of these positions can be achieved through 1–2 year programs. According to the Centers for Disease Control and Prevention 2012 statistics, health care is the one of the fastest growing sectors of the U.S. economy, representing 12 million workers. The healthcare industry will continue to evolve as the United States' trends in demographics, disease, and public health patterns change. More occupations and professions will develop because of these trends. The major trend that will influence the healthcare industry is the aging of the U.S. population. The Bureau of Labor Statistics predicts that half of the next decades' fastest growing jobs will be in the healthcare industry. As healthcare

costs continue to increase, cost-cutting measures will be the focus while continuing to provide quality health care.

Chapter 6

It is the responsibility of HRM personnel to ensure that legally mandated employee benefits—social security, unemployment insurance and workmen’s compensation, and family and medical leave—are implemented correctly. In addition, there are several employee benefits that employers can offer to employees that can be used as a recruitment and/or retention tool. Employees expect employers to provide medical insurance, including dental and vision plans, and vacation, sick leave, and retirement plans. However, employers have the opportunity to offer other benefits such as education reimbursement, child or elder care services, or flexible work schedules. Employers may consider a cafeteria plan which enables employees to select which benefits are best suited for their lifestyle. Employers should survey their employees and their competition to determine the best type of benefits package that would motivate and retain quality employees. Establishing a quality benefits package would also be an excellent recruitment tool. Human resource management can collaborate with management to ensure that the best recruitment packages are offered to quality candidates.

Chapter 7

The goal of healthcare organizations is to provide quality of care to their patients. Nurses, physicians, and other healthcare providers have direct contact with patients. There are also different types of healthcare employees that provide indirect care to patients. Laboratory technologists and technicians have a major role in diagnosing disease, assessing the impact of interventions, and applying highly technical procedures, but they may never see the patients directly.

Regardless of their role, underperforming employees could risk the lives of their patients. Research on high performing organizations, including healthcare organizations, reveals that employees are motivated to perform well by the quality of work environment. A quality work environment includes initiatives such as employee empowerment, training and career development programs for employees, pay for performance, management transparency, and support and work-life balance (Lowe, 2002). This chapter discusses different motivational theories and organizational strategies to motivate employee performance.

■ Part IV: Employee Relations

Chapter 8

Regardless of the industry, unions are formed because employees are dissatisfied with their jobs. Either the wages are too low or the working conditions are poor.

As healthcare expenditures continue to increase, healthcare reform will continue to focus on cost reduction. Managed care models targeted labor costs, which resulted in disgruntled physicians and nurses because they were worried about the quality of patient care (Schraeder & Friedman, 2002). Nurses formed unions because they were more concerned with quality working conditions to ensure patient care than wages. Residents and interns were also concerned with working conditions because of the traditional long hours they endure while training. Establishing a union resulted in limited working hours for them. Allied health professional unions have been established to ensure that fair wages are being applied in their industry. It has been difficult for physician unions to become more powerful because so many physicians are self-employed and therefore excluded from union membership. However, there are exceptional health systems, such as the Cleveland Clinic, which are excellent to their physician employees (Romano, 2001). With the advent of the healthcare reform legislation and the reduction of reimbursement of physician services to Medicare and Medicaid patients, there may be more of a reason to organize. Over the past 5 years, unions won 70% of healthcare organizing efforts with New York, California, and Illinois representing nearly 50% of the total elections (By the Numbers, 2009). In 2009, there were 11 strikes, which affected 2,600 workers, or 238 workers per strike, which is low. In 2010, there were seven strikes involving 14,000 workers, or 2,000 workers per strike (Commis, 2010).

Regardless of their goals, union formation in the healthcare industry is characterized by the merging of several unions to increase their voice in dealing with their employers. Large unions such as the American Federation of Teachers (AFT) and the Service Employees International Union (SEIU) have established separate legal entities that represent healthcare issues. Although union membership in the United States has declined over the past decades, union membership in the healthcare industry has increased.

Chapter 9

Terminating an employee is one of the most difficult responsibilities for a manager because it influences the individual's life and livelihood. If you have to terminate an employee, it may indicate that the organization's hiring process is not adequate. However, there are many hiring guidelines to ensure that the termination process is fair and legally defensible. The following are activities that HRM should be involved in when dealing with such a difficult employee issue:

1. Educating employees on employment law and company policies.
2. Communicating verbally and in writing the expectations the organization has of the employee's performance.
3. Enforcing labor laws equally to all employees to ensure there are no issues with discrimination of protected classes.

4. Establishing routine performance appraisals of all employees.
5. Providing employee feedback.
6. Establishing a termination deadline.
7. Establishing exit interviews for all employees.

■ Part V: Long-Term Planning in HR

Chapter 10

There are many current trends influencing healthcare human resource management: the increasing diversity of the workforce, the globalization of health care, increased use of technology and its impact on the healthcare system, and the focus on teamwork and quality patient care.

There is an increased diversity of employees and patients. These changing demographics can also be linked to the increased globalization of health care. There is more U.S. patient circulation internationally because of the high costs of health care, which results in patients finding treatments outside the United States. Additionally, due to the lack of primary physicians and nurses nationally, more international employees are being hired. The use of technology in health care continues to increase. The federal focus on the implementation of electronic health records for patient information requires more training for employees. There is also a focus of teamwork in health care, which requires different professional development for employees. This chapter discusses these current trends and provides recommendations to healthcare organizations to develop training programs for their employees to ensure they are comfortable with their changing environment.

Chapter 11

In any organization, it is necessary to develop both short-term and long-term plans to ensure the organization will successfully continue. Managers typically focus on short-term goals through their daily activities and monthly planning. What often eludes managers is the long-term planning needed to determine future activities of the organization. Long-term planning or strategic management is necessary to ensure the longevity of the organization. Developing a mission and vision statement for the organization provides a focus for the employees to understand what the organization is doing and what their future plans are. With any mission and vision statement, the role of HRM is simple: ensure there are employees in place that have the skills and knowledge to achieve the mission and vision of the organization. Recruiting, training, and retaining the appropriate employees is a fundamental HRM process. It is important to emphasize that HRM is an administrative function of an organization; however, when it is involved in strategic planning, the HRM process is altered because its focus is not daily operations but long term.

There is a continuing labor shortage in the healthcare industry, and projections indicate the shortage may continue for years. Therefore, in healthcare strategic management, HRM plays an integral role in strategic planning to address workforce needs and projected shortages. As part of strategic planning, quality programs are implemented to provide guidelines for quality control. These quality programs are also integrated with human resource management. Finally, budgeting for these long-term needs must also be addressed. This chapter discusses the concepts of strategic management as they apply to healthcare organizations and the role of human resource management in strategic management.

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