



## ISSN: 2249-894X

IMPACT FACTOR: 5.7631(UIF) UGC APPROVED JOURNAL NO. 48514 VOLUME - 8 | ISSUE - 8 | MAY - 2019



working experience of the respondents and their overall HCM practices.

**KEYWORDS:** Human Capital Management (HCM) Practices, Health Sector, Human Resource Management (HRM) Practices.

# INTRODUCTION **Human Capital Management:**

Human Capital Management (HCM) is managing the people's dimension within the organizations. It significant role to play in today's world. It does not only assists the organization in achieving its strategic direction also represents advocates for the organization's employees. At its broadest level, HCM comprises the functions of staffing. development, motivation, and maintenance. In other words hiring competent people, training

# **HUMAN CAPITAL MANAGEMENT PRACTICES** IN HEALTH SECTOR

## Vaideeswaran R.1 and Dr. K. Arockiam<sup>2</sup>

- <sup>1</sup>Ph.D. Research Scholar in HRM, PG & Research Department of HRM, St. Joseph's College, Tiruchirappalli, Tamil Nadu.
- <sup>2</sup> Research Adviser & Assistant Professor, PG & Research Department of HRM, Dean School of Management Studies, St.Joseph's College, Tiruchirappalli, Tamil Nadu.

#### ABSTRACT:

Human Capital Management (HCM) is responsible for managing the people's dimension within the organizations. This study has been conducted to examine the HCM practices in Hamad Medical Corporation (HMC), Qatar. This study has tried to include all possible parameter for analyzing the HCM performance. This study sample is 200 for census method of

sampling technique. This study used self-structured questionnaire as sampling tool survey instrumentation. Hypothetically, find out there is no significant difference between designation and

> them, helping them perform at levels and providing mechanisms to ensure these employees maintain their productive affiliation with the organization. Human Capital Management (HCM) believes that human capital is the organization's most important resource provider for HR (including learning development) with strategically important role. This moves past the debate about whether HR should be given equal status with other functions to create a role for HR that is second only to the CEO (perhaps that of a Chief People Officer).

Health Sector: In HCM, people management strategy links to and cascades from the business strategy. It is also forward

looking, focusing on making incremental changes to current state to achieve the objectives of the organization. The Strategic Management of Human Capital steps in health sector are following: Developing a human capital management (HCM) strategy. 2) Developing measures to help monitor the execution of this strategy. 3) Benchmarking the strategy and associated measures to check that strategic objectives are appropriately stretching. 4) Implementing the strategy and 5) achievement Reporting on against the strategy, measures and benchmarks to internal and external stakeholders. Therefore, this study broadly aims at "Human Capital Management in Health Sector with special

Journal for all Subjects: www.lbp.world

reference to HMC, Qatar".

#### **REVIEWS OF LITERATURE**

The importance of human capital to play role in gaining competitive advantage is greater than ever before because of it is crucial wealth, success and competitive advantage of the organization. The strategic human resources management or the human capital is mean of gaining competitive advantage through one of the most important asset: its people (Richard, W., 2001). The other sources of competitive advantage, like technology and physical resources are comparatively easier to emulate and transfer. To create workforce that provide competitive advantage the firms create environment that provide knowledge, motivation, engagement that would be difficult for competitors to imitate (Afioni, 2007; Agarwal & Ferret, 2001; Luftman & Kempaiah, 2007). The competitors of the firm always try to employ better peoples for the job, so firms should constantly evaluate the human factor. Eric D. Brown (2007) also concluded that the ability to create unique team is the most cost effective ways to create sustainable advantage. The way in which the organizations manage its peoples can influence its performance (Peter & Watermann, 1982). The employee participation, empowerment and job design, including team based production system; extensive employee training and performance contingent incentive are widely believed to improve the performance of organization (Pfeffer, 1994). Therefore, the crucial differentiating factor between companies can be how human resources are developed and nurtured in particular organization (Yazdani, 2008). The human element has grown in importance because knowledge has become a critical ingredient to gain a competitive advantage, particularly in the new economy landscape (Grant, 1996). The above reviews have shown the way for developing methodology.

#### **SIGNIFICANCE OF THE STUDY**

The significance of this research work to the health care organization cannot over emphasize. This research work will look at the important area of changing the perception of the HR practices among employees in the organization. Also it will highlight some important aspects of the impact of human capital management on organizational efficiency. To practicing HR managers, this will enable them to control coordinate, direct and plan the activities of the organizational effectively.

#### **OBJECTIVES OF THE STUDY**

The general objective is to study the human capital management in health sector. Yet the specific objectives are explained as below:

- o To know the demographic profile of the respondents
- o To study Human Capital Management practices in HMC, Qatar
- o To suggest a few recommendation on Human Capital Management in the health sector.

## **METHODOLOGY**

Methodology is the systematic, theoretical analysis of the methods applied to a field of study. It comprises the theoretical analysis of the body of methods and principles associated with a branch of knowledge. Typically, it encompasses concepts such as paradigm, theoretical model, phases and quantitative or qualitative techniques. It includes universe of the study, sampling, sampling techniques, method of data collection and statistical tools to be used.

**Research Design:** An exploratory research design has been adopted for the study.

**Universe:** The present study is designed for the HMC, Qatar workers as targeted respondents. The total 200 employees are working in HR department.

**Sample:** The researcher used census methods for the sampling technique and collected data from 200 respondents in HR department of Hamad Medical Corporation (HMC), Qatar. Data has been collected only from the organization HMC, Qatar.

**Data Collection:** The study is based on the primary and secondary data. The primary data has been collected from questionnaire. The secondary data has been collected from the various published and unpublished sources. The researchers have used the carefully designed self-structured questionnaire as sampling tool survey instrument for the present study. The purpose of this exercise was to make the response a true reflection of organizational reality rather than an individual opinion. The 5 points of the scale indicated the following: 1) Strongly Disagree, 2) Disagree, 3) Undecided, 4) Agree and 5) Strongly Agree to measure the HCM Practices.

For the purpose of this study, we have adopted those HCM practices that are most consistent with the existing theoretical and empirical work in the field. These practices included aspects like personnel selection, performance appraisal, incentive, compensation and so on. Thus, we tried to analyze, among other aspects, the manner in which candidates are attracted, the selection criteria used, training and career development, the main characteristics of the pay system, whether or not it had an established system for assessing performance, etc.

#### STATISTICAL ANALYSIS OF THE DATA

The following statistical analyses are used in this study.

- o Percentage analysis was calculated to find the exact percentage of respondents
- Mean score was calculated to find the average responses from the respondents. Besides minimum and maximum mean were also worked out to enlist the minimum and maximum responses.
- o Standard deviations were also calculated to find the level of deviations among the respondents.
- o Independent sample analysis of variance ('t' test) was used to find out the significant difference if any between variables.

#### LIMITATION OF THE STUDY

The research was confined to only one company, which is HMC Qatar. In the study of this nature, one is bound to encounter some problem that will serve as the limitation of the study, important among which are: The time necessary to complete this study was short and as a result of this, other than HR departments cannot be consulted. As this is the tight academic work, the researcher set the targeted date and worked within the time-period and some of the data needed for the research on internets were not available to unsubscribed users. A more elaborated study would have revealed a better picture to get an idea about HCM practices in HMC, Qatar as a whole in health sector.

#### DATA ANALYSIS AND INTERPRETATION:

Table 1: Percentage Analysis of Personal Profile

Particulars	N=200	Percentage
Age		
Below 30yrs	68	34%
31 to 40yrs	84	42%
41yrs & Above	48	24%
Designation		
HR	72	36%
Asst. HR	128	64%
Working Experience		
Below 5yrs	156	78%
Above 5yrs	44	22%
Nationality		
Qatar	08	4%
India	136	68%
Others	56	28%

\_\_\_\_\_

Marital Status		
Married	164	82%
Unmarried	36	18%

From Table-1, the above percentage analysis table of personal profile

- o More than one third (42%) of HRs were 31 to 40yrs of age group, 34% were below 30yrs and remaining 24% were above 41yrs.
- o Majority (64%) of HRs designed as an assistant HR and remaining 36% were HR.
- Vast majority (78%) of HRs was below 5yrs of experience and remaining 22% were above 5yrs.
- Majority (68%) of HRs was from India, 28% were other country and remaining 4% were from Qatar.
- Vast majority (82%) of HRs was married and remaining 18% were unmarried.

Table 2: Distribution of the Respondents and their Overall HCM Practices

Particulars	N=200	Percentage
Low	56	28%
High	144	72%
Min.: 10 / Max.: 50 / Mean	38.22 / S.D.: 0.969 / Median: 38.00	

From Table-2, the descriptive table of overall HCM practices indicates that vast majority (72%) of HRs were high level opinion about overall Human Capital Management (HCM) practices and remaining 28% were low level.

Table 3: Difference between Designation and Working Experience and their Overall HCM Practices

Overall HCM practices	N	Mean	SD	Statistical inference				
Designation								
HR	72	37.74	1.018	t=1.786				
Asst. HR	128	38.01	0.363	0.214>0.05 Not Significant				
Working Experience								
Below 5yrs	156	37.99	0.816	t=3.148				
Above 5yrs	44	36.81	0.987	0.065>0.05 Not Significant				

**Null Hypothesis:** There is no significant difference between designation and working experience of the respondents and their overall HCM practices

Table-3 shows that the overall HCM practices of HR mean and SD value is  $37.74\pm1.018$  and the Asst.HR value is  $38.01\pm0.363$ . The calculated value is greater than table value (0.214>0.05). Thus, there is no significant difference between designation of the respondents and their overall HCM practices. And below 5yrs of working experience HR's mean and SD value is  $37.99\pm0816$  and the above 5yrs of working experience HR's value is  $36.81\pm0.987$ . The calculated value is greater than table value (0.065>0.05). Thus, there is no significant difference between working experience of the respondents and their overall HCM practices. So, the null hypothesis is accepted.

## **SUGGESTIONS AND CONCLUSION**

In today's knowledge-based economy greater emphasis is adverted to human capital. To survive in the dynamic environment and to achieve the competitive advantage; human capital is of immense priority thus has become very important. Now-a-days the organizations are struggling to improve the performance of employees by effectively implementing their human resource practices. Human capital will lead the organizations towards better decision making, extensively effective communication within the organization and generate creative and innovative ideas. In order to formulate appropriate

competitive advantage through employees, it is first necessary to analyze the firm's competitive strategy or business strategy and organizational human resource practices. Human capital plays a critical role in the creation and sustaining of competitive advantage. Building human capital is not sole responsibility of human resource department. Creation of positive environment lies in organizational perspective for innovation and creativity. Everything assumes to be same but distinctive human capital becomes a competitive advantage requires sanction from top management. The researcher has tried to include all possible parameter for analyzing the HCM performance, but keeping in view the vastness of the topic following agenda emerges for the future studies: Training and development, Impact of I.T on intellectual formation, Wage compensation acts, Impacts on HCM in health sector and Performance management and its impacts on the health sector.

#### REFERENCES

- 1. Afiouni, F. (2009). Leveraging human capital and value creation by combining HRM and KM initiatives. International Journal of Learning and Intellectual Capital, 6(3), 202-213.
- 2. Ahmad, S. & Schroeder, R.G. (2003). The impact of human resource management practices on operational performance: recognizing country and industry differences. Journal of Operations Management, 21(1), 19-43.
- 3. Amit, R. & Shoemaker, J. H. (1993). Strategic assets and organizational rents. Strategic Management Journal, Vol. 14, pp.33-46.
- 4. Anastasia, A. & Budhwar, Pawan S. (2006). Human resource management systems and organizational performance: a test of a mediating model in the Greek manufacturing context. International Journal of Human Resource management, 17(7), 1223-1253.
- 5. Appelbaum, E., Bailey, T., Berg, P. & Kalleberg, A. (2000). Manufacturing Advantage: Wlty High Performance Work Systems Pay Off. Ithaca, New York: Cornell University Press.
- 6. Arthur, J. (1994). Effects of human resource systems on manufacturing performance and turnover. Academy of Management Journal, 37(3), 670-687.
- 7. Bae, J., Chen, S., Wan, T.W.D., Lawler, J.J. & Walumba, F.O. (2003). Human resource strategy and firm performance in Pacific Rim countries. International Journal of Human Resource Management, 14(8), 1308-1332
- 8. Banker, Rajiv D., Seok-Young Lee, Gordon Potter, & Dhinu Srinivasan. (1996). Contextual Analysis of Performance Effects of Outcome-Based Incentive Compensation. Academy of Management Journal, 39(4), 920-48.
- 9. Barney, J. (1991). Firm resources and sustained competitive advantage. Journal of Management, 17(1), 99-120.
- 10. Barney, J. & Wright, P.M. (1998). On becoming a strategic partner: the role of human resources in gaining competitive advantage. Human Resource Management, 37(1), 31-46.
- 11. Baron, A. & Armstrong, M. (2007). Human Capital Management. Kogan Page Limited, London and Philadelphia.
- 12. Bechtel, R. (2007). Calculating human capital: the market-based valuation of the human resource. Zeitschrift fur Personal for schung, 21(3), 206-231.
- 13. Becker, G.S. (1962). Investment in human capital: a theoretical analysis. Journal of Political Economy, 70(5), 9-49.
- 14. Black, J.A. & Boal, K.B. (1994). Strategic resources: traits, configurations and paths to sustainable competitive advantage. Strategic Management Journal, Vol. 15, Issue Supplement S2, pp.131-148.
- 15. Chatzkel, J.L. (2004). Human capital: the rules of engagement are changing. Lifelong learning in Europe, 9(3), 139-145.
- 16. Edvinsson, L. & Malone, M. (1997). Intellectual Capital. Harvard Business School Press, Cambridge, MA.
- 17. Edward, E., & Lawler, III. (2009). Make human capital a source of competitive advantage. Organizational Dynamics 38(1), 1-7.

- 18. Garavan, T.N., Morely, M., Gunnigle, P. & Collins, E. (2001). Human capital accumulation: the role of human resource development. Journal of European Industrial Training, 25(2/3/4), 48-68.
- 19. Lado, A. A. (1994). Human resource systems and sustained competitive advantage: competence based perspective A. A. Lado, M. C. Wilson. Academy of Management Review, 19(4), 699-727.
- 20. Memon, M., Mangi, R. & Lal Rohra, C. (2009). Human Capital a Source of Competitive Advantage-Ideas for Strategic Leadership. Australian Journal of Basic and Applied Sciences, 3(4), 4182-4189.
- 21. Pfeffer, J. (1994). Competitive Advantage through People: Unleashing the Power of the Workforce. Harvard Business School Press, Boston MA.
- 22. Porter, M. E. (1998). Competitive Advantage: Creating and Sustaining Superior Performance. New York: The Free Press.
- 23. Wright, P.M., McMahan, G.C. & McWilliams, A. (1994). Human resources and sustained competitive advantage: a resource-based perspective. International Journal of Human Resource Management, 5(2), 301-326.