

Literature Review: The Role Of Human Resource Management In Healthcare Services

Dewa Ayu Vania Novista Anjani¹, Muh. Agung Gunadi ¹, Anak Agung Ngurah Mayun Trinanditya¹, Iman Illal Haqqni¹, Nurhaeni Sikki²

^{1,2}Master of Management, Sangga Buana University, Bandung, Indonesia

Article Info	ABSTRACT
<p>Keywords: Quality of healthcare services, Human Resource Management (HRM), Human Resource Challenges</p>	<p>The quality of healthcare services is crucial for improving public health, with Human Resource Management (HRM) playing a vital role. HRM involves managing individuals and teams within an organization to ensure optimal performance and alignment with organizational goals, encompassing recruitment, training, development, evaluation, and compensation. This literature review aims to enhance understanding of HRM's role in improving healthcare service quality, identify influencing factors, and offer recommendations to overcome obstacles in HRM. A qualitative research approach was employed to analyze and synthesize existing literature on HRM in healthcare services. Thematic analysis identified recurring themes in articles, papers, and books. We conducted a thorough search of databases and books, using relevant keywords to ensure comprehensive coverage. Effective HRM in healthcare includes the recruitment, training, development, and retention of healthcare professionals. Supportive work environments and strong managerial backing significantly enhance motivation and performance, ultimately improving patient care quality. However, many developing countries face HRM challenges, including workforce shortages, uneven distribution of healthcare professionals, and insufficient training opportunities. Additional issues involve inadequate training programs, bureaucratic obstacles, and administrative inefficiencies. Addressing these challenges through comprehensive HRM strategies can significantly improve healthcare delivery and workforce management. This literature review underscores the pivotal role of HRM in enhancing healthcare service quality. Through strategic recruitment, training, development, and retention of healthcare professionals, HRM fosters supportive work environments and managerial support, essential for enhancing healthcare worker motivation and performance, ultimately benefiting patient care. To address persistent challenges, tailored HRM strategies must adapt to environmental changes and prioritize ongoing training programs, administrative streamlining, and equitable workforce distribution policies. Understanding HRM's roles and challenges is essential for developing effective strategies to ensure a competent and motivated healthcare workforce, thereby continuously enhancing healthcare service quality.</p>
<p>This is an open access article under the CC BY-NC license</p> 	<p>Corresponding Author: Dewa Ayu Vania Novista Anjani Master of Management, Sangga Buana University Bandung, Indonesia vanianovista@gmail.com</p>

INTRODUCTION

The quality of healthcare services has become crucial for improving public health (Raza et al., 2020). Human resource management (HRM) plays a pivotal role across many fields, including healthcare. In the context of healthcare services, HRM encompasses several critical aspects such as recruitment, training, development, and retention of healthcare professionals (Rotea et al., 2023). The enhancement of healthcare service quality is significantly influenced by the effectiveness of HRM practices implemented by hospitals and other healthcare facilities (Feng et al., 2023).

With the advancement of technology and the growing public demand for high-quality healthcare services, the need for competent and skilled healthcare professionals has become increasingly urgent (Figueroa et al., 2019). Effective human resource management (HRM) in the healthcare sector can enhance organizational performance and patient satisfaction. This underscores that appropriate HRM strategies can directly contribute to the improvement of healthcare service quality (Rotea et al., 2023).

In a study by Zhenjing (2022), it was found that a conducive work environment and strong managerial support can enhance the motivation and performance of healthcare professionals. Good working conditions, fair compensation, and career development opportunities are some factors that can improve the retention of high-quality healthcare personnel, thereby impacting the quality of care provided to patients (Zhenjing et al., 2022).

However, in many developing countries, human resource management in the healthcare sector still faces various challenges (Babapour et al., 2018). For instance, according to a WHO report (2016), the shortage and uneven distribution of healthcare professionals are major obstacles to providing optimal healthcare services. The lack of continuous training and development also hinders the ability of healthcare workers to deliver the best possible care (Tamata & Mohammadnezhad, 2023).

In Indonesia, efforts to improve human resource management in the healthcare sector have been undertaken, but numerous challenges remain to be addressed. A study by Rahayu (2019) revealed that the lack of continuous professional training and development is one of the main challenges. Additionally, administrative, and bureaucratic issues often slow down the recruitment and placement processes for healthcare workers in remote areas that are in need (Rahayu et al., 2019).

Therefore, this article will discuss the role of human resource management in improving the quality of healthcare services, identify the challenges faced, and offer recommendations to overcome these obstacles. With a better understanding of the role and challenges of HRM, it is hoped that more effective strategies for managing healthcare professionals can be developed, ultimately contributing to the improvement of healthcare service quality in Indonesia.

METHODS

For this literature review, we employed a qualitative research approach to analyze and synthesize existing literature on the role of HRM in healthcare services. Qualitative research

methods were chosen due to their ability to facilitate an in-depth exploration of subjective experiences, contextual factors, and nuanced perspectives within the literature.

To synthesize information from the literature, we employed thematic analysis, which involved identifying recurring themes, patterns, and concepts across the selected articles, research papers, academic publications, and books. Through this process, we categorized relevant findings into thematic clusters based on their relationship to the role of HRM in healthcare services. Additionally, we utilized a narrative synthesis approach to integrate and interpret the identified themes within the broader context of HRM in healthcare. This allowed us to construct a cohesive narrative that elucidates the various aspects and implications of HRM within the healthcare sector.

For data collection, we conducted a thorough search of electronic databases including PubMed and Google Scholar. Additionally, we consulted relevant books that contain information about HRM to ensure a comprehensive review of the literature. Keywords and phrases such as "human resource management," "healthcare services," "role," "impact," and "effectiveness" were used to identify relevant articles, research papers, academic publications, and books.

RESULTS AND DISCUSSION

Human Resource Management (HRM) is a strategic approach that involves managing individuals and teams within an organization to ensure optimal performance and the achievement of organizational goals. HRM encompasses a variety of activities such as recruitment, selection, development, evaluation, and compensation, as well as policies and practices that influence employee behavior, attitudes, and performance (Agustian et al., 2023).

The primary goal of HRM is to enhance employee productivity and job satisfaction, ensuring that their contributions align with the organization's objectives. Additionally, HRM focuses on improving employee skills and well-being through training, development, and performance management. HRM plays a crucial role in creating a supportive and motivating work environment, effectively and efficiently managing human resources to support the organization's success (Panjaitan et al., 2023).

Factors Affecting Human Resource Management

There are several critical factors that can determine the success of HR management and development within an organization. The following are some key factors in HRM. First, the external environment, such as economic conditions, government policies, industry competition, and technological advancements, has a significant impact. When the economy is unstable, healthcare organizations may have to face reduced revenues and tighter budgets. This may affect the healthcare organization's payroll, recruitment, and employee development policies (Ferdman, 2008). Since these factors can influence an organization's strategy and operations, management must monitor and adapt to environmental changes that may affect organizational performance.

Government regulations, which are part of the external environment, also play a crucial role in human resource planning, as relevant policies regarding the utilization of human resources need to be considered in organizational planning (Sutrisno, 2009). In government

healthcare policies, such as the national health insurance program or regulations related to healthcare standards, can affect the human resource management process in healthcare organizations. HR managers must be able to adapt to these changes and ensure compliance(Hellriegel et al., 2007).

Additionally, economic conditions and workforce demographics are internal factors that need attention. Economic conditions influence the demand for more specialized employees in growing industries. Workforce demographics, such as age, gender, and education levels, affect the organization's need for younger and more educated employees to keep up with technological changes. Social issues and trends, such as cultural shifts and technological advancements, also impact HR planning by highlighting the need for adaptable employees who can respond to change effectively.

In the healthcare sector, intense industry competition further emphasizes the need for a robust HR team to maintain competitiveness. This involves enhancing recruitment, training, and development processes to ensure the organization attracts and retains top talent (Lussier & Hendon, 2016). High-quality employees with relevant skills and knowledge, along with effective leadership, can help achieve organizational goals. Employee career development also greatly influences HR planning. The need for educated employees capable of advancing their own careers should be a primary concern in effective HR management(Marwansyah, 2014).

Thus, effective HR management encompasses attention to external factors such as the environment, government policies, and economic conditions, as well as internal factors such as workforce demographics, technological advancements, and human resource quality. All these factors must be considered to develop effective strategies in managing human resources and enhancing overall organizational performance(Sutrisno, 2009).

The Role of Human Resource Management in Healthcare Services

Human resource management (HRM) plays a crucial role in goal achievement. Typically, company or organizational leaders expect excellent performance from each member or employee in carrying out tasks assigned by the organization. An organization must recognize that human resources are the fundamental modules in the process of building, developing, and advancing the organization. Therefore, the quality of human resources must always be developed and directed to achieve the goals set by the organization(Tristanti, 2019).

The role of human resource management (HRM) in an organization is crucial. HR managers are responsible for ensuring that the organization has the quantity, type, and quality of workforce needed to achieve its goals. Additionally, HRM also pays attention to ethical aspects in managing human resources, involving fairness, honesty, and social responsibility. Effective HRM will result in and maintain competitive advantages, as well as enhance organizational performance. Organizations must ensure that their investments in HRM and HR procedures attract and retain competent employees (Sunari & Mulyanti, 2023).

One of the serious causes of workforce issues in the healthcare sector is the lack of human resource policies among policymakers. Policymakers need to pay more attention to addressing all HR-related issues by implementing good HR practices. Human resource management plays a crucial role in enhancing and improving the performance of human

resources in the healthcare field. Proper human resource management can have a positive impact on the healthcare delivery system by ensuring a workforce that is ready, competent, and motivated (Hidayah et al., 2022).

Having competent human resources is an advantage in providing patient care. Human resource management in healthcare services can be observed through several variables including organizational climate, leadership, satisfaction, innovation, performance, and others. These variables can be interconnected, providing a picture of creating innovations that can lead to sustainable competitive advantages. Thus, it needs to be aligned with a paradigm where every stakeholder is driven to collaborate through multidisciplinary approaches and workflows integrating all key functions related to education and health services. This can be achieved in an organization climate oriented towards goals and moving towards the future, despite threats to the organization in terms of product and service development. The model will lead to improved workflow processes that can occur even with limited resources and can drive hospitals to achieve sustainable excellence. In this regard, it is shown that with fewer human resources, optimal results can be achieved with effective human resource management (Sunari & Mulyanti, 2023).

The relationship between HR management practices and organizational performance is an important topic in organizational science, so the implementation of good HR management can provide effective results in performance. Human resource management practices affect healthcare performance, and compensation has the greatest impact on improving employee performance levels. HRM practices in healthcare can be seen between patient care outcomes and the division of labor, as well as the level of service delivery. In this case, an example is a doctor who provides higher services in treatment, so there are differences in addressing HR management practices, but these differences can be overcome by communication between hospital employees (e.g., doctors and nurses). This can be related to cooperation between HR in the organization, including in decision-making (Sunari & Mulyanti, 2023).

Other HR management can be realized by training for hospital employees to increase knowledge and skills. Explaining the same thing, the results of the study show that performance in hospitals can be influenced by HR management practices such as compensation/rewards, training and development, employee participation, and performance appraisal. Training will provide new skills to employees and can have an impact on employees' ability to complete assigned work so that in the end employee performance will increase. Increased employee performance can be related to employee commitment to their own organization, and employee training and development in hospitals have a significant influence on each other. HR management has a big role to play in improving hospital performance in an organization. The importance of HR management and organizational performance is because they are related to each other. As a result, HR pays special attention to personal development and has an impact on performance (Sunari & Mulyanti, 2023).

Human Resource Management Strategies

The word strategy was originally adopted in business administration as a metaphor for comparative analysis. In addition, strategy can also be defined as a competent management

team that performs better than its competitors in achieving organizational goals (Fried, n.d.). HR strategy is the process of developing human resource policies and implementation tactics that align with and enhance the organization's business strategy. It involves the development of a comprehensive set of management activities and tasks related to developing and maintaining a quality workforce¹⁶. Healthcare workforce management professionals must develop healthcare workforce management strategies to improve performance and service delivery to patients. Healthcare HR professionals must understand human behavior, work effectively with employees, and be knowledgeable about the many systems and practices available to create a skilled and motivated workforce (Hidayah et al., 2022).

HR professionals must also be aware of economic, technical, social, and legal issues that facilitate or hinder efforts to achieve the organization's strategic goals. Healthcare HR managers often hire the wrong people, have high turnover rates, manage disengaged employees, have employees who commit medical malpractice, or are poorly trained. We don't want employees who fail to ensure patient satisfaction or engage in unfair labor practices (Fried, n.d.).

HR strategy emphasizes the need to plan and execute HR strategies developed in the context of the organizational strategy. Since these strategies are sensitive to changes in the external environment of the organization, they must be explained and coordinated to ensure that the HR strategy and the organization's business plan are correct. Therefore, the overall goal of HR strategy is to align all HR activities with the organization's overall goals and response to the external environment (Fried, n.d.).

A wise business strategy is to utilize human resources appropriately. Proper utilization and utilization is a way to optimize the skills and abilities of high-performing employees in the future. If the company does not properly utilize the talents and skills of its employees, the company will suffer in the future. One such problem is poor performance and high employee turnover. This requires a proper utilization system that puts the "right man in the right place" according to the employee's potential (Fried, n.d.).

It is interesting to note that the use of employees in human resources utilization is related to various interests of the company and the interests of the employees themselves. Recruitment activities take place after the company has carried out sampling and selection activities, i.e., when prospective employees are declared ready to be accepted and placed in positions or work units that match their qualifications within or outside the company. That is, placing the accepted prospective employee in a position / job that requires the prospective employee as well as delegating responsibility to that person (Tristanti, 2019). Leverage is a guideline used by human resource managers to determine whether an employee should remain in a particular job title or position, considering certain expertise, skills, or qualifications (Watung, 2017).

Utilization is the placement of potential employees, who have been appointed or selected, in positions or work units that correspond to their qualifications. Based on the determined workload (Siswanto, 2009), employees are divided into tasks and jobs according to the given environmental space. Employees should be assigned according to their interests. Involving employees based on their interests will increase their enthusiasm and motivation,

thus making work more enjoyable. In addition, employees should be assigned according to their expertise and skills. This will increase their enthusiasm to work and contribute to the company(Thamrin, 2014). Human resource utilization is a process of activities carried out by human resource managers in an organization to determine the location and position of employees in carrying out their work(Saihudin, 2019). There are three main types of usage:

a. Promotion

Promotion occurs when an employee moves into a position of greater responsibility, leading to a higher position in the hierarchy, and increased income. There are three principles of employee development: trust, fairness, and education. Experience, skills, and a combination of these are the basis for promotion to a position. Although promotions do not happen instantly, there are several conditions that must be met, such as honesty, discipline, work performance, skills, loyalty, leadership, communication skills, and education(Sondang P, 2009).

The goal of career advancement is to provide employees with higher levels of performance with higher job recognition and merit pay, which in turn increases personal satisfaction and pride, improves social status, and increases income productivity(Ardana et al., 2012).

b. Task Expert

Employability can be divided into two types. The first is hiring someone for a new job with the same responsibilities, status controls, and income as their previous position. The second type is the location specialist. This means that employees have the same or similar jobs, earn the same income, and have the same responsibilities(Sondang P, 2009).

c. Depreciation

Downsizing does not mean a decrease in status or power, but rather a decrease in income or liabilities. The purpose of downsizing is to avoid losses for the company and to provide employees with positions, powers, salaries, and positions that are in accordance with their abilities. Demotion is a punishment for employees who are demoted because they are unable to perform their duties(Sondang P, 2009).

CONCLUSION

In conclusion, this literature review underscores the pivotal role of Human Resource Management (HRM) in enhancing healthcare service quality. Through strategic recruitment, training, development, and retention of healthcare professionals, HRM fosters supportive work environments and managerial support, vital for enhancing healthcare worker motivation and performance, ultimately benefiting patient care. However, challenges persist, including workforce shortages, uneven distribution, and limited training opportunities. To address these issues, tailored HRM strategies must adapt to environmental changes and prioritize ongoing training programs, administrative streamlining, and equitable workforce distribution policies. By understanding HRM's roles and challenges, effective strategies can be developed to ensure a competent and motivated healthcare workforce, thereby continuously enhancing healthcare service quality.

REFERENCE

- Agustian, K., Pohan, A., Zen, A., Wiwin, W., & Malik, A. J. (2023). Human Resource Management Strategies in Achieving Competitive Advantage in Business Administration. *Journal of Contemporary Administration and Management (ADMAN)*, 1(2), 108–117. <https://doi.org/10.61100/adman.v1i2.53>
- Ardana, I. K., Mujiati, N. W., & Utama, I. W. M. (2012). *Manajemen Sumber Daya Manusia* (1st ed.). Graha Ilmu.
- Babapour, J., Gholipourb, A., & Mehralian, G. (2018). Human Resource Management Challenges to Develop Pharmaceutical Industry: Evidence from Developing Countries. *Iranian Journal of Pharmaceutical Research : IJPR*, 17(Suppl2), 224–238.
- Feng, X., Qu, Y., Sun, K., Luo, T., & Meng, K. (2023). Identifying strategic human resource management ability in the clinical departments of public hospitals in China: a modified Delphi study. *BMJ Open*, 13(3), e066599. <https://doi.org/10.1136/bmjopen-2022-066599>
- Ferdman, B. M. (2008). *Human Resource Management in Healthcare Organizations*. Delmar Cengage Learning.
- Figuroa, C. A., Harrison, R., Chauhan, A., & Meyer, L. (2019). Priorities and challenges for health leadership and workforce management globally: a rapid review. *BMC Health Services Research*, 19(1), 239. <https://doi.org/10.1186/s12913-019-4080-7>
- Fried, B. J. (n.d.). *Human Resources in Healthcare : Managing for Success* (M. D. Fottler, Ed.; 4th ed.). Health Administration Press ; Association of University Programs in Health Administration.
- Hellriegel, D., Jackson, S. E., & Slocum, J. W. (2007). *Management*. Thomson South-Western.
- Hidayah, N., Dewi, A., & Rakasiwi, G. P. (2022). PERAN MANAJEMEN SUMBER DAYA MANUSIA DALAM MENINGKATKAN KINERJA PELAYANAN PADA KLINIK PRATAMA. *Prosiding Seminar Nasional Program Pengabdian Masyarakat*. <https://doi.org/10.18196/ppm.43.698>
- Lussier, R. N., & Hendon, J. R. (2016). *Human Resource Management in Health Care: Principles and Practice*. Cengage Learning.
- Marwansyah. (2014). *Manajemen Sumber Daya Manusia*. Alfabeta.
- Panjaitan, E. H. H., Rupianti, R., Sukomardojo, T., Astuti, A. R. T., & Sutardjo, A. (2023). THE ROLE OF HUMAN RESOURCE MANAGEMENT IN IMPROVING EMPLOYEE PERFORMANCE IN PRIVATE COMPANIES. *Komitmen: Jurnal Ilmiah Manajemen*, 4(1), 225–233. <https://doi.org/10.15575/jim.v4i1.23958>
- Rahayu, D., Nurasa, H., Widianingsih, I., & Adiwisastra, J. (2019). TANTANGAN PENGEMBANGAN RUMAH SAKIT UMUM DAERAH MENJADI ORGANISASI PEMBELAJARAN. *MIMBAR: Jurnal Penelitian Sosial Dan Politik*, 8(1), 1. <https://doi.org/10.32663/jpsp.v8i1.760>
- Raza, M., Afzal, M. I., & Elahi, M. A. (2020). Assessing the sustainability of public health in the era of globalization. *Arabian Journal of Geosciences*, 13(19), 1028. <https://doi.org/10.1007/s12517-020-06009-y>

- Rotea, C. C., Ploscaru, A.-N., Bocean, C. G., Vărzaru, A. A., Mangra, M. G., & Mangra, G. I. (2023). The Link between HRM Practices and Performance in Healthcare: The Mediating Role of the Organizational Change Process. *Healthcare (Basel, Switzerland)*, *11*(9). <https://doi.org/10.3390/healthcare11091236>
- Saihudin, H. (2019). *Manajemen Sumber Daya Manusia* (1st ed., Vol. 1). Uwais Inspirasi Indonesia.
- Siswanto. (2009). *Pengantar Manajemen*. Bumi Aksara .
- Sondang P, S. (2009). *Manajemen Sumber Daya Manusia* (1st ed.). Bumi Aksara.
- Sunari, A., & Mulyanti, D. (2023). Manajemen Sumber Daya Manusia Dalam Lingkungan Bisnis Rumah Sakit (Systematic Literature Review). *Jurnal Riset Dan Inovasi Manajemen*, *1*.
- Sutrisno, E. (2009). *MANAJEMEN SUMBER DAYA MANUSIA* (1st ed.). Kencana.
- Tamata, A. T., & Mohammadnezhad, M. (2023). A systematic review study on the factors affecting shortage of nursing workforce in the hospitals. *Nursing Open*, *10*(3), 1247–1257. <https://doi.org/10.1002/nop2.1434>
- Thamrin. (2014). *Perencanaan Sumber Daya Manusia*. Deepublish Publisher.
- Trisanti, S. (2019). *MANAJEMEN SUMBER DAYA MANUSIA DI BIDANG PELAYANAN KESEHATAN*. Wineka Media.
- Watung, S. (2017). Analisis Strategi Penempatan Pegawai Terhadap Produktivitas Pegawai Pada Fakultas Ekonomi Universitas Negeri Manado. *Prosiding Pluralisme Dalam Ekonomi Dan Pendidikan*.
- Zhenjing, G., Chupradit, S., Ku, K. Y., Nassani, A. A., & Haffar, M. (2022). Impact of Employees' Workplace Environment on Employees' Performance: A Multi-Mediation Model. *Frontiers in Public Health*, *10*, 890400. <https://doi.org/10.3389/fpubh.2022.890400>