MANAGEMENT INNOVATOR

-A peer reviewed research journal

CONTENTS

Editorial

HRM Practices and organizational culture in select private hospitals in Kerala

Ms. Dhanya Raveendran, Ph.D Research Scholar, Department of Economics, Sri GVG Visalakshi College for Women (Autonomous) Udumalpet P.O, Tamilnadu

Dr. M.Radha, Ph.D Research Supervisor, Department of Economics, Sri GVG Visalakshi College for Women (Autonomous) Udumalpet P.O, Tamilnadu

Abstract

The defy of Human Resource Management (HRM) practices would be to craft an environment of pliability, which can lodge and incorporate successfully changes in systems, structures, technologies, methods, etc. The goal of HRM is normally to have competent and motivated employees to ensure effectiveness and growth of the organization. Organizations normally direct their HRM efforts towards the development of competencies and organizational culture. Organizations use mechanisms to achieve HRM goals with competent and committed employees. There are hardly any study which shows linkage between HRM practices and organizational culture on healthcare sector. The methodology employed on a sample of 85 respondents from two private hospitals in Kerala. This study focuses on the positive significant relationship between HRM practices and organizational culture in private hospitals in Kerala.

Key words: *HRM, HRM Practices, Organizational Culture, Effectiveness, Hospitals.*

Introduction

Human Resource Management (HRM) is a distinctive approach to employment management which seeks to achieve competitive advantage through the strategic development of a highly committed and capable workforce using an integrated array of cultural, structural and personnel techniques (Storey, 2001). HRM is the strategic approach to the effective management of people in an organization so that they help the business to gain a competitive advantage. It is designed to maximize employee performance in service of an employer's strategic objectives (Johnason, 2009). HR is primarily concerned with the management of people within organizations, focusing on policies and on systems (Collings & Wood, 2009).

The idea that organizations have culture has been acknowledged since Lewin, Lippitt and White's (1939) research on creating social climate. Organizational culture is defined as a system of shared meanings held by members that distinguishes one organization from other organizations (Schien, 1985). It provides employees with a clear understanding of the way things are done in that organization. Organizational culture is the perceived, subjective influence of the formal system, the informal, style of managers and other significant environmental factors on the attitudes, beliefs, values and motivation of the people in a particular organization (Litwin & Stringer, 1968).

The presumption is that more effective systems of HRM practices, which simultaneously exploit the potential for complementariness or synergies with organizational culture, lead to better performance and enhanced effectiveness. Indian organizations are embedded in Indian culture, are influenced by the economic, political and social factors, and are also subjected to global

business influences. Sinha and Sinha (1994), found self-realization and inventive values as the highest form of work values in Indian culture. Organizations appreciate corporate core values of self-realization and inventive values as they encourage and recognize innovation, creativity and achievement. This study is intended to explore the relationship between HRM practices and organizational culture in chosen private hospitals in Kerala.

Review of Literature

Strategic business needs of an organization are influenced by its internal (which mainly consist of factors such as organizational culture and nature of business) and external characteristics (consisting of the nature and state of economy in which the organization is existing and critical success factors, i.e., opportunities and threats provided by the industry), which are influenced by HR practices. Minbaeva (2005) viewed HRM practices a set of practices used by organization to manage human resources through facilitating the development of competencies that are firm specific, produce complex social relation and generate organization knowledge to sustain competitive advantage. Previous extensive research has shown that employee perceptions of organizational efforts such as the provision of HRM practices increased employee outcomes (James, McKechnie, & Swanberg, 2011). Thornhill, Lewis, Millmore, and Saunders (2000) established a potential role for HR-centred strategies to be used to change the culture of an organization. An organization can change its culture through its recruitment strategy of replacing managers with those from outside, restructuring the organization, downsizing the workforce, training programmes, new reward strategies and performance management to alter employee behaviors or reinforce emergent ones.

The potential value of the employees is to be increased by collectively enhancing and linking their skills and capabilities in tune with the contemporary requirements of the market, and to be faster than the competitors. Gope, Elia, and Passiante, (2018) show the existence of HRM practices aiming to enhance the individual learning, motivation and retention of employees for knowledge acquisition and knowledge sharing, in the strategic perspective to improve the organizational performance. Delery and Gupta (2016) found that HRM system comprising practices that ensure selectivity in staffing, performance-based pay, and enhanced employee opportunity through participation in decision-making result in higher levels of organizational effectiveness. The success of the HRM will be established by its capability to harness the intelligence and spirit of people by creating a learning climate. Indian organizations normally direct their HRM efforts towards the development of competencies, culture and effectiveness among employees individually or in groups (Singh, 2003). Organizations may use many mechanisms to achieve their HRM goals as without competent and committed employees, an organization can achieve very little even it has excellent technological and other resources at its command.

Methodology

The current study is descriptive in nature that examines the relationship between HRM practices and organizational culture. To this end, HRM practices are viewed in terms of planning, recruitment, selection, training and development, performance evaluation, career management and rewards. Organizational culture is viewed in terms of self-realization, status enhancement,

inventive values and socio-economic support. The relationship between HRM practices and organizational culture among private hospitals is studied.

Objective
The objective of the study is to determine the relationship between HRM practices and organizational culture in private hospitals.

Hypothesis
The hypothesis for the study is as follows:
H0: There exists no significant relationship between HRM practices and organizational culture.
H1: There exists significant relationship between HRM practices and organizational culture.

Sample
This study is based on a sample of medical practitioners, nursing, para-medical, and ancillary staffs having minimum three years of work experience in the present hospital from two different private hospitals located at central and south Kerala. At the time of selection of hospitals, both were considered as centre of excellence. The data was collected personally by the researcher and also by mail using simple random sampling with an assurance that information obtained would be kept confidential. Out of 90 questionnaires distributed, 85 computed questionnaires were used for the final analysis. A bird's-eye view of the sample distribution is as shown below:
Hospital 1: (N-42)
Hospital 2: (N-43)

Data Collection Tools
Questionnaire used under study consists of 90 items, which are divided into two parts: (a) Sixty nine items concern HRM practices of the organization, and (b) Twenty one items concern organizational culture. Respondents were asked to indicate their perception on HR practices and organizational culture using a five-point likert scale format which includes: 1 - Strongly Disagree, 2 - Agree, 3 - Neither Agree Nor Disagree, 4 - Disagree, 5 - Strongly Agree. For the purpose of measuring HRM practices, the standardized questionnaire developed by Gorden (1986) was used. The standardized questionnaire used for measuring organizational culture was developed by Super and Nevill (1986).

A pilot study was conducted to measure reliability of HR practices scale and organizational culture scale by calculating cronbach's alpha on a sample of 32 numbers. The reliability of the scales calculated to be 0.81 and 0.78 respectively.

Data Analysis Procedures
To analyze the quantitative data, the researcher explored the internal structure, measurement qualities of the study variables, and the proposed hypothesis. Percentage analysis was used to classify the respondents based on their demographic profile. Correlation analysis (Karl Pearson coefficient of correlation) was carried out to test the relationship between the study variables. Statistical Package for Social Sciences (SPSS) version 21 and Microsoft Office Excel 2007 were used for the processing of the data.

Result

Result of this study, displayed on Table 1 found that a significant positive correlation exists between HRM practices and organizational culture. Also the relationship between the dimensions of HRM practices (namely planning, recruitment, selection, training and development, performance evaluation, career management, and rewards) and organizational culture (self-realization, status enhancement, inventive values and socio-economic support) were significantly positive. Thus hypotheses H1 got validated.

Table 1
Correlations between HRM Practices and the Dimensions of Organizational Culture

Variables	Self-realization	Status Enhancement	Inventive Values	Socio-Economic Support	Organizational Culture
Planning	.421**	.411**	.431**	.413**	.423**
Recruitment	.442**	.391**	.531**	.423**	.442**
Selection	.553**	.562**	.432**	.433**	.453**
Training and Development	.511**	.311**	.461**	.363**	.473**
Performance Evaluation	.491**	.342**	.512**	.331**	.432**
Career Management	.612**	.472**	.501**	.441**	.451**
Rewards	.631**	.591**	.641**	.491**	.482**
HRM Practices	.653**	.573**	.534**	.543**	.444**

** Correlation is significant at the 0.01 level (2-tailed)

Conclusion

This study has shown a significant, positive and meaningful relationship between HRM practices and organizational culture. HRM practices become the means whereby organizational culture is created and sustained. Designing new culture requires that HRM professionals are ahead of the cultural change curve with innovative and exciting HRM practices. HRM has been proposed by others to be a potentially powerful lever for shaping and changing the culture of an organization to make the organization more effective (Ulrich, 1997).

Limitations and Future Research

Research context was limited to healthcare of Kerala, while the future research can be extended to different sectors of different states to get more significant results. Small number of respondents has been chosen for this study so a similar study should be conducted by increasing a sample size.

References

Collings, D. G., & Wood, G. (2009). Human Resource Management: A Critical Approach. In D. G. Colligs & G. Wood (Eds.), Human Resource Management: A Critical Approach (pp. 1-16). London: Routledge.

Delery, John., & Gupta, Nina. (2016). Human Resource Management Practices and Organizational Effectiveness: Internal Fit Matters. *Journal of Organizational Effectiveness: People and Performance, 3*(2), 139-163,

Gope, Sharmila., Elia, Gianluca., & Passiante, Giuseppina. (2018).The Effect of HRM Practices on Knowledge Management Capacity: A Comparative Study in Indian IT industry. *Journal of Knowledge Management, 22*(3), 649-677.

Gorden, J. R. (1996). *Human Resource Management. Boston*: Allyn and Bacon.

James, J. B., McKechnie, S., & Swanberg, J. (2011). Predicting Employee Engagement in an Age-Diverse Retail Workforce. *Journal of Organizational Behavior, 32*(2), 173 -196.

Johnason, P. (2009). HRM in Changing Organizational Contexts. In D. G.Collings & G. Wood (Eds.), Human Resource Management: A Critical Approach (pp.19-37). London: Routledge.

Litwin, G. H., & Stringer, R. A. (1968). *Motivation and Organizational Climate*. Boston: Harvard Business School Press.

Lewin, K., Lippitt, R., & White, R. K. (1939). Patterns of Aggressive Behavior in Experimentally Created "Social Climates". *Journal of Social Psychology, 10*(2). 270-299.

Minbaeva, D. B. (2005). HRM Practices and MNC Knowledge Transfer, *Personal Review, 34*(1), 125-144.

Schein, E. H. (1985). *Organizational Culture and Leadership: A Dynamic View*. San Francisco: Jossey-Bass.

Sinha, J. B. P., & Sinha, D. (1994). Role of Social Values in Indian Organizations. In Kao, H. S. R.; Sinha, D.; Ng Sek-Hong (Eds.). *Effective Organizations and Social Values*. New Delhi: Sage.

Singh, K. (2003). Strategic HR Orientation and Firm Performance in India. *International. Journal of Human Resource Management. 14*(7), 530-554.

Storey, J. (2001) Introduction: From Personnel Management to Human Resource Management, A Critical Text. London: Thomson Learning.

Super, D. E., & Nevill, D. D. (1986). *The Salience Inventory: Theory, Applications and Research*. Palo Alto, Ca: Consulting Psychologists Press.

Thornhill, A.; Lewis, P.; Millmore, M., & Saunders, M. (2000). *A Human Resource Strategy Approach: Managing Change*. Harlow: Pearson Education.

Ulrich, D. (1997). *Human Resource Champions*. Boston: Howard Business School Press.