

“HR RETENTION PRACTICES IN HOSPITALS” – VALIDATING THE MEASUREMENT SCALE

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ABSTRACT

In a healthcare setup, there is a huge demand for skilled medical professionals. Hospitals strive to ensure that they retain their skilled medical professionals so that they could sustain in the competitive market. Though Medical professionals included doctors, nurses and para-medical staff, it is however difficult for hospitals to sustain without doctors. It is necessary to find out various Human Resource (HR) practices which encourage the medical doctors to work in a particular hospital for a long period, in spite of high demand for them elsewhere. This paper intends to validate the complied measuring scale highlighting the HR practices which retained the medical doctors to work in a particular hospital for more than 15 years. The data was collected from 51 medical doctors from a leading non-profitable tertiary care teaching hospital.

KEYWORDS: *Human Resource Practices, Retention, Healthcare Organization*

INTRODUCTION

Healthcare Industry, which includes hospitals, is growing at a rapid rate in India. The sector is growing at a rate of approximately 15 %. The key encounter of this sector is scarcity of skilled employees along with the challenge of attrition rate [1]. Skillful and experienced medical doctors are considered to be most important asset to a hospital. The intensive nature of health services mandates hospital to retain its productive doctors, as they are directly involved in delivering services to the patients and contribute in the growth of the hospital. [2]. HR Practices differ in nature such as designed strategically, implemented under command and perceived by their staff.

Employee retention means certain factors that made the employees to work in a particular organization for a longer time. There might be various reasons which could contribute in making the employees stay in a particular organization especially the HR practices [3]. It is essential to understand the HR practices perceived by the employees that have retained them to work in an organization for a longer period.

HR practices differ from organization to organization. These HR practices are mostly interrelated to ensure that skillful employees continue to stay committedly to the organization vision and mission, and contribute in its development. There are various research work carried out to find the relationship between HR practices and employee retention [4].

This study intend to capture the HR practices which encouraged medical doctors to stay in a tertiary care teaching hospital for longer period and subsequently validated the measurement scale for validity and reliability. The findings of this study would help hospital administrators and top management to make necessary changes in their existing HR practices to retain their key medical professionals.

LITERATURE REVIEW

Employee Retention states that organization takes additional effort to retain its skillful key employees from leaving the organization. From the literature, it is very clear that employee retention is not only determined by a single component instead multiple components intervene to make an employee stay in the same organization for longer period [5]. In the current scenario, the functionality of most service organization is technology driven yet it is impossible to replace the highly skilled human capital completely with technology. The skillful human capital contributes in the growth of organizational development and sustains the organization in the competitive market [6]. One of the major challenges faced by hospitals to sustain in the market is deficient manpower especially medical doctors. In such situation, it is essential for healthcare organization to retain their medical doctors without which there will be a shortfall of patients accessing its services. [7]

From literature, it could be derived that HR practices influence in organizational performance and facilitates organizational growth [8]. At times reward and compensation are considered as the only main factor contributing in the retention of its employees whereas various employee perspective studies state that various other HR practices along with appropriate reward and compensation scheme encourages skillful employees to stay in the organization for a longer period and contribute in its growth [8,9].

The healthcare organizations are expected to augment their HR practices based on their business environment to competitively relevant. Few of these practices includes hiring the right personnel at minimal cost, create a competitive and motivated workforce with appropriate training, evolving a culture among employees towards reduction of cost through optimal utilization of resources, preserving the skillful medical professionals who are the assets of the organization to cling on, inculcating the art of learning and development among employees and impactful to its stakeholders by being productive and profitable [10].

The most impactful HR practices that influence retention of employees are broadly classified under the following HR functions: recruitment and selection, training and development, performance appraisal and compensation / reward benefits [11]. In spite of having best HR practices retaining medical professionals in rural areas is a complex task for healthcare organization [12].

It is essential to capture the factors contributing in retention of precious medical professionals as they are involved in delivering the services of healthcare organization. This would facilitate the organization to tweak the organization strategy to better productivity and sustainability [13]

AUTHORS CONCEPTUAL FRAMEWORK

HR practices that would retain medical doctors from leaving an organization could be classified as four domains such as

- Recognition & Relationship (Rr)
- Privileges & Benefits (Pb)

- Safety & Governance (Sg)
- HR functions (Hr)

From this study, it could be analyzed that the above 4 domain contribute in the retention of medical doctors.

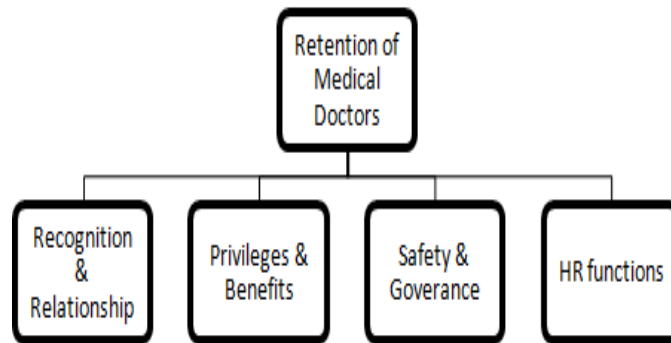


Figure 1: Author’s Conceptual Framework.

OBJECTIVE OF THE STUDY

- To understand the perceived HR practices of medical doctors towards employee retention.
- To explore factors influencing medical doctors to work in a organization and validate the same.
- To develop a wing of research work based on which data could be obtained from a larger sample

RESEARCH METHODOLOGY

• **Rationale of the Study**

This study is a pilot study and a wing of a major research which would include another standardized measurement to be administered among various medical doctors working in the tertiary care teaching hospitals.

• **Data Source**

The study progressed together with the primary data and secondary data. The primary data was collected from medical doctors using Focus Group Discussion (FGD) and questionnaire. The secondary data were collected from literature review from research papers, published articles and other online databases.

• **Process of Study**

To construct the content of the developed measurement tool, a FGD was conducted among retired medical doctors who have worked in a hospital for more than 20 years. Based on the FGD findings and literature, a questionnaire was developed and reviewed research experts. The reviewed questionnaire was administered among medical doctors.

• **Sampling Frame**

The questionnaire was administered among 51 medical doctors from a leading tertiary care teaching hospital who has worked in that hospital for 15 years or more.

• **Sample Area**

The respondents are full time medical doctors working in a tertiary care teaching hospital from Tamil Nadu.

- **Statistical Tools**

MS Excel was employed to enter the raw data and to proceed with Exploratory Factor Analysis (EFA), SPSS was employed.

ADANCO software was employed to determine the reliability and validity of the self administered questionnaire. Internal consistency reliability were determined based on

- Cronbach's alpha
- Composite reliability

Validity tests undertaken were

- Discriminant validity
- Convergent validity

EMPIRIAL ANALYSIS AND RESULTS

- **Face Validity**

Face validity helps to find out the relevance of the test to its respondents. It focuses on its appearance, transparency and relevance for individuals answering the test. This questionnaire of this research paper was given to senior retired medical doctors who have held leadership position in various hospitals and few academicians for face validity. Then the questionnaires were distributed to medical doctors for collection of data.

- **Model Exploration and Refinement**

The researcher used Exploratory Factor Analysis (EFA) with a varimax rotation and was conducted on 39 variables to locate the major factors constituting the HR Retention Practices. The Kaiser – Meyer – Olkin (KMO) measure is an indicator to determine the how well the sample data adapts for factor analysis.

It is the ratio of the sum of the squared partial correlations for all variables. The denominator of this ratio increases with the variation that is unique to pairs of variables (partial correlations), making the value of KMO less than 1. Small values of KMO indicate that factor analysis may not be appropriate for the data. Kaiser (1974) suggests that values of 0.9 or values greater than 0.5 is acceptable.

Table 1 shows illustrates in detail that the value of the Barlett's test of sphericity is known to be 0.000 which is at significant level and also the KMO value is 0.805, greater than 0.5. This indicates that the factor analysis proceeded for the data is apt.

There were four factors employing principal component method explaining 75 percent total variations. The principal component matrix was rotated and factor loading above 0.4 were considered for naming the factors.

Table 1: KMO Analysis

Kaiser – Meyer – Olkin Measure of Sampling Adequacy		0.805
Barlett's Test of Sphericity	Approx. Chi – Square	3880.135
	Df.	666
	Sig.	0.000

• **Internal Homogeneity**

Usually researchers employ measure internal consistency by various criterions, namely, cronbach’s alpha, composite reliability and indicator loadings. Cronbach alpha represents the mean of all split half coefficients resulting from different splitting of a test (Cronbach, 1951). Besides this, Hair et. al. (2010) recommend that generally lower limit for Cronbach’s alpha as 0.70 is accepted.

Table 2 shows that cronbach’s alpha values as greater than 0.7 for all the four scales. Therefore, the measurement scale of this study is reliable in accordance with Nunally(1978). The values of composite reliability is also greater than 0.7 depicting the model as a reliable in accordance with Fornell and Larcker (1981).

Table 2: Cronbach’s Alpha and Composite Reliability for All the Four Scales

Scales	Cronbach’s Alpha	Composite Reliability
Relationship & Recognition	0.901	0.900
Privileges and Benefits	0.880	0.874
Safety and Governance	0.878	0.876
HR functions	0.791	0.797

• **Scale Validity**

This is the stage at which the researchers measures the extent to which a set of measured items actually reflects the theoretical latent construct those items are designed to measure (Hair et. al. 2010). Construct validity of this measurement scale is investigated through discriminant validity and convergent validity since, the research model is a formative model.

• **Discriminant Validity**

Discriminant Validity is the extent to that latent variable A discriminates from alternative latent variables. Discriminant validity means that a latent variable is able to account for more variance in the observed variables associated with it (Fornell & Larcker, 1981).To confirm the discriminant validity of the measure, AVE of each construct used in the model must be greater than the squared correlation of that construct to satisfy the discriminant validity tests.

Table 3 shows it is found that AVE of the construct is greater than the squared correlation of the respective construct in case of all the four scales. Hence, the discriminant validity test progressed with the positive sign.

Table 3: Discriminant Validity

	Relationship & Recognition	Privileges & Benefits	Safety & Governance	HR Functions
Relationship & Recognition	0.511			
Privileges & Benefits	0.348	0.462		
Safety & Governance	0.453	0.338	0.543	
HR Functions	0.305	0.297	0.309	0.462

• **Convergent Validity**

Convergent validity implicates the degree to which individual items reflecting a construct converge in contrast to the items assessing various constructs (Urbach et. al, 2010). A common criterion applied to test the convergent validity is based on Average Variance Extracted (AVE) proposed by Fornell and Larcker (1981). According to which, AVE values should be greater than 0.5 indicating that the construct is captured to be explained more than half of the variance of its indicators. In particular, any construct with AVE value below 0.5 point outs that it consists of measurement residual.

Table 4 shows it is found that, the AVE values of all the scales exceeded the recommended threshold level of 0.50 (Bagozzi & Yi, 1988). Hence, the scales are confined to be explained more than half of the variance of its indicators and thus demonstrates convergent validity.

Table 4: Convergent Validity

Scales	Average Variance Extracted (AVE)
Recognition and Relationship	0.511
Privileges and Benefits	0.551
Safety and Governance	0.543
HR Functions	0.550

CONCLUSIONS

The current study examines and validates the impact of HR practices that facilitate in retaining medical doctors from leaving a hospital. From the study, 4 domains were developed such as Relationship and Recognition, Privileges and Benefits, Safety and Governance and HR functions which contribute in retention of medical doctors in a healthcare organization. Functioning of a healthcare organization mostly depends on the availability of skillful medical professionals and it is very crucial for healthcare organization to develop strategic HR practices to sustain its competent medical team. The study results could be replicated in healthcare organizations to enhance its HR practices towards employee retention in the rivalry market.

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