

Strategic Human Resource Management Practices and Organizational Performance in One Chinese Hospital

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Abstract – This study explores the relationship between strategic human resource management practices and organizational performance within the healthcare sector, focusing on Kailuan General Hospital of Hebei Province. Utilizing a comprehensive survey questionnaire, the research examines key dimensions of SHRM including alignment to organizational goals, management strategies, technology utilization, and employee development programs. Respondents, comprising medical and non-medical personnel, rated statements related to their experiences and perceptions of these SHRM practices. The outcomes indicate that understanding and aligning with the hospital's long-term goals and vision is critical for both employee engagement and quality of care. Management strategies were assessed for their clarity, communication, and effectiveness in supporting the mission and goals of the organization. Technology's role was analyzed to determine its usability, integration into healthcare processes, and impact on patient outcomes. Additionally, the study gauges the availability and alignment of employee development opportunities with professional needs and the hospital's strategic priorities. The findings suggest a significant correlation between SHRM practices and improved performance indicators, specifically in the realms of patient care and staff satisfaction. Ultimately, the study provides valuable insights into the efficacy of SHRM in advancing organizational objectives within a healthcare context.

Keywords – Strategic Human Resource Management, Organizational Performance, Healthcare Sector, Employee Development, Technology Integration

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INTRODUCTION

Strategic human resource management practices and organizational performance have a strong relationship in terms of organizational commitment, improvement, and development [1]. These are about

finding a balance between your employees and your company's goals. It focuses on recruiting top talent, but also developing their skills, and creating a positive work environment that encourages engagement and productivity. By aligning HR strategies with the overall objectives of the organization, companies can improve employee satisfaction and retention rates and ultimately boost their bottom line.

In recent years, the economies of many countries have come together to promote global trade through connectivity and technological breakthroughs. Due to the increased rivalry in both domestic and foreign institutions, this jump has further motivated businesses to hire and retain highly skilled individuals. Many companies and institutions depend on their employees to give them a competitive advantage in the market. They are therefore closely related to how well they handle their people resources [2].

The fundamental tenet of human resource management strategies is that people are an organization's most valuable asset and that their performance is highly dependent upon them. In order for human resource management to significantly affect organizational performance, an appropriate set of human resource policies and procedures needs to be developed and implemented. Strategic human resource management describes how workers support the organization in achieving its objectives by fusing human resource practices and policies with the human resource strategy. Strategic Human Resource Management is becoming more and more popular due to its consistent commitment to improving organizational performance. [3].

According to Aghili [4], the idea behind strategic HRM is to act as a link between HRS and the business plan of the company. The goal of strategic human resources management is to help organizations use their human resources to increase their competitive performance. Human resources strategies are used as a model to make judgements about the policies governing the human resources system within the framework of business strategy and competition. These strategies highlight the organization's general understanding of how to manage a variety of employee aspects to

simultaneously improve workers' competitiveness and well-being. The collective views of management and employees about the kind of HR policies that should be implemented inside the organization are reflected in the human resources strategies. These strategies represent the organization's strategy for handling the many aspects of its HRM policies and processes. An efficient HRM determines the factors that affect an organization's performance. Sustaining a competitive edge requires continuous human resource development for every given organization.

In recent years, China has witnessed a remarkable transformation in its healthcare sector, with a focus on improving the quality and efficiency of medical services. As the demand for healthcare services continues to grow in this populous nation, the importance of effective human resource management in Kailuan General Hospital of Hebei Province becomes increasingly evident. Strategic Human Resource Management (SHRM) practices play a pivotal role in enhancing the performance and effectiveness of healthcare institutions. However, the specific ways in which SHRM practices are applied and their impact on organizational performance in remain relatively unexplored.

The goal of modern human resource management practices (HRMPs), a distinctive approach to employment management, is to gain a competitive edge by strategically improving devoted and capable employees through the application of a variety of structural, cultural, and HRM techniques. Employees will be able to successfully and efficiently contribute to the achievement of the organization's goals and objectives if there is an effective HRMP in place. It instills a sense of dedication in workers and encourages good behavior, both of which will boost the effectiveness of the company. An organization's HRMP, when implemented effectively, will also deter employees from engaging in bad behaviors, such as organizational deviant behavior and unproductive behavior. It is anticipated that HRMP will enhance the strategic use of the labor force and that employee initiatives will have measurable effects on the company [5].

Kailuan General Hospital of Hebei Province is faced with a complex and evolving set of challenges, including an aging population, the need for advanced medical technologies, and increased expectations for quality care. These challenges require healthcare institutions to adopt strategic approaches to HR management. The absence of comprehensive research on the adoption and impact of SHRM practices in Kailuan General Hospital of Hebei Province hinders our

understanding of how to address these challenges effectively. Therefore, there is a pressing need to investigate the current state of SHRM practices in Kailuan General Hospital of Hebei Province and their influence on organizational performance.

With this, this research aimed to provide valuable insights into the strategic human resource management practices employed by Kailuan General Hospital of Hebei Province and their direct and indirect effects on organizational performance. By conducting this study, it endeavored to offer evidence-based recommendations and best practices to assist Kailuan General Hospital of Hebei Province in achieving better patient outcomes, operational efficiency, and workforce satisfaction. Ultimately, this study aspired to contribute to the advancement of healthcare management in China and served as a foundation for informed decision-making in the dynamic healthcare environment of the country.

OBJECTIVES OF THE STUDY

This study aimed to assess and determine the Human Resource Management Practices and Organizational Performance in Kailuan General Hospital of Hebei Province, China. Specifically, it sought to assess the Strategic HRM Practices in Kailuan General Hospital of Hebei Province in terms of alignment to organizational goals, management strategies, utilization of technology, and employee development programs; assess the organizational performance concerning employee job satisfaction, turnover and retention rates, organizational support, and employee involvement in decision-making processes; to test the significant differences of the strategic human resource management practices and organizational performance when respondents were grouped according to category; to test the significant relationship between strategic HRM Practices and organizational performance; and lastly, propose an action plan to enhance human resource management practices in Kailuan General Hospital.

MATERIALS AND METHODS

Research Design

The research approach for this study was quantitative, utilizing surveys and structured questionnaires to collect numerical data. These instruments were designed to systematically assess various facets of Strategic Human Resource Management Practices in Kailuan General Hospital of Hebei Province, including alignment with organizational goals, management strategies, utilization of technology, and employee development programs. The goal was to

gather measurable data that would be systematically analyzed and interpreted.

This quantitative method ensured a structured approach to evaluating the targeted aspects, providing a solid foundation for statistical analysis in the future to explore the relationship between these HRM practices and organizational performance. The study specifically examines employee job satisfaction, turnover rates, organizational support, and employee involvement in decision-making processes. The findings contribute to a better understanding of the dynamics between HRM practices and organizational performance, with the ultimate aim of proposing enhancements to the current Human Resource Management system in Kailuan General Hospital of Hebei Province.

According to Babbie [6], quantitative methods emphasize objective measurements and the statistical, mathematical, or numerical analysis of data collected through the use of polls, questionnaires, and surveys, or by manipulating pre-existing statistical data via computational techniques.

Participants of the Study

The participants of this study primarily comprised employees of Kailuan General Hospital of Hebei Province. These employees included medical one hundred medical and one hundred (100) non-medical staff. Their insights and experiences was invaluable in assessing the alignment of Human Resource Management practices with organizational goals, understanding job satisfaction, turnover rates, and the level of employee involvement in decision-making processes within the hospital. By focusing on the Kailuan General Hospital, it aimed gaining a specific and in-depth perspective on the interplay between HRM practices and organizational performance within this particular healthcare institution, which can provide valuable insights and recommendations for enhancing HRM systems in the context of Chinese hospitals.

Instrument

For the data collection phase, a principal instrument was developed for a structured questionnaire. This comprehensive tool was specifically designed to solicit information on Strategic Human Resource Management (HRM) practices, organizational performance metrics, and the perceived relationship existing between the two domains.

The questionnaire was thoughtfully crafted from the concept of SHRM approach to the HR long-terms business/goals by aligning HR policy and practice to the

strategic organizational objectives the guide to Strategic Human Resource Management (SHRM). This includes inquiries addressing crucial aspects such as the alignment of HRM practices with organizational goals, the efficacy of management strategies, the integration of technology, and the effectiveness of employee development programs. By employing a systematic and targeted questionnaire, the study aims to extract nuanced insights into the multifaceted landscape of HRM practices within Kailuan General Hospital of Hebei Province. This method was not only facilitated the collection of relevant data but also enabled a detailed exploration of the intricate interplay between these HRM practices and the resulting organizational performance, thus contributing to a more comprehensive understanding of the subject matter.

The questionnaire adopted the 4-point Likert Scale that best described how the statements relate to each respondent. The scale employed 4 Strongly Agree (SA); 3 Agree (A); 2 as /Disagree (D); and 1 as Strongly Disagree (SD). According to Smart Survey (2022), a Likert scale is a logical scale on which respondents choose the option that most strongly supports their position. It can be used to measure someone's attitude by determining their level of agreement or disagreement with a specific question or statement.

Data Gathering Procedure

The data gathering procedure for this research involved a systematic and well-organized approach. Firstly, the research team will develop a comprehensive structured questionnaire, carefully tailored to capture essential information on Strategic Human Resource Management (HRM) practices, organizational performance metrics, and the perceived relationship between the two aspects. Once the questionnaire is finalized, a pre-testing phase was conducted to identify any potential ambiguities or issues with clarity.

Following this, the finalized questionnaire will be distributed to a representative sample of participants drawn from Human Resource Managers, Hospital Administrators, and employees across various Kailuan General Hospital of Hebei Province. The survey administration will be accompanied by clear instructions and support, emphasizing the importance of honest and accurate responses.

Simultaneously, interviews were conducted with key stakeholders, such as HR managers and administrators, to provide a deeper qualitative understanding. To ensure reliability and validity, measures will be taken to maintain consistency in data

collection across different hospital settings.

Data Analysis

To perform data analysis, frequency and percentage distribution were used to describe the profile of the respondents in terms of category. Weighted means and ranking were used to assess the Strategic HRM Practices in Kailuan General Hospital of Hebei Province in terms of alignment to organizational goals, management strategies, utilization of technology and employee development programs; assess the organizational performance with regard to employee job satisfaction, turnover and retention rates, organizational support, and employee involvement in decision-making processes. The result of Shapiro-Wilk Test revealed that p-values of the main variable was less than 0.05 which means that the data set was not normally distributed. Therefore, Mann Whitney U test for two groups was used as part of the non-parametric tests to determine the significant differences. Likewise, Spearman rho was used to test the significant relationship of the treated variables. In addition, post hoc test was also conducted. The following Likert Scale was used in assessing the variables: 4.50 – 5.00 = Strongly Agree; 3.50- 4.49 = Agree; 2.50-3.49 – Fairly Agree; 1.50 – 2.49 –Disagree; and 1.00 – 1.49 –Strongly Disagree. In addition, all data were treated using a statistical software known as PASW version 26 to further interpret the result of the study using an alpha level of 0.05 and 0.01.

Ethical Considerations

Ethical considerations, including participant confidentiality and informed consent, were strictly adhered to throughout the data gathering process. This robust procedure aims to elicit comprehensive and reliable data, facilitating a rigorous analysis of the relationship between HRM practices and organizational performance in Kailuan General Hospital of Hebei Province. The respondents were assured that the data gathered in the survey will be treated with utmost confidentiality

RESULTS AND DISCUSSION

. Table 1 shows the different aspects of Strategic Human Resource Management (SHRM) practices in Kailuan General Hospital. Respondents generally agreed with the four SHRM practices with a composite mean of 3.05. Management strategies received the highest score (3.12), followed by alignment to organizational goals (3.07), utilization of Technology (3.03), and employee development programs (2.98).

Table 1
Strategic HRM Practices in Kailuan General Hospital

Indicators	Weighted Mean	Verbal Interpretation	Rank
1. Alignment to organizational goals	3.07	Agree	2
2. Management Strategies	3.12	Agree	1
3. Utilization of Technology	3.03	Agree	3
4. Employee Development Programs	2.98	Agree	4
Composite Mean	3.05	Agree	

Legend: 3.50 – 4.00 = Strongly Agree; 2.50 – 3.49 = Agree; 1.50 – 2.49 = Disagree; 1.00 - 1.49 = Strongly Disagree
Disagree

Effective management strategies are essential for guiding organizations toward achieving their goals and objectives. According to Tucci [7], strategies encompass various elements such as setting clear goals, establishing priorities, allocating resources, and monitoring progress to maintain focus and ensure the organization stays on course. By aligning these strategies with the company's mission and vision, employees can develop a sense of purpose and direction, leading to improved performance and motivation within the workforce. In today's digital era, incorporating technology into operations, alongside robust employee development initiatives, plays a critical role in ensuring organizational success. Technology enhances operational efficiency and customer service while investing in employee skills not only boosts overall performance but also enhances morale and staff retention. When these components are integrated effectively, they create a synergistic effect that promotes growth, innovation, and profitability, enabling organizations to thrive and adapt in a competitive business environment.

The data in Table 2 displays the summary of organizational performance. The overall composite mean of 3.02 indicates that they agreed in general. Employee Involvement in decision-making got the highest mean score of 3.11, followed by Organization Support and Turnover and retention rate. The least assessed domain was employee job satisfaction, with a mean score of 2.95.

Organizational performance refers to the overall effectiveness of an organization in achieving its goals and objectives. Organizations need to evaluate how well they are executing their strategic plans and whether they

are on track to achieve long-term goals. This involves aligning resources and activities with the organization's mission and vision. Measuring customer feedback and loyalty helps gauge how well the organization is meeting the needs and expectations of its target audience [8].

Table 2
Organizational Performance

Indicators	Weighted Mean	Verbal Interpretation	Rank
1. Employee Job satisfaction	2.95	Agree	4
2. Turnover and retention rate	2.96	Agree	3
3. Organization Support	3.05	Agree	2
4. Employee Involvement in decision making	3.11	Agree	1
Composite Mean	3.02	Agree	

Legend: 3.50 – 4.00 = Strongly Agree; 2.50 – 3.49 = Agree; 1.50 – 2.49 = Disagree; 1.00 - 1.49 = Strongly Disagree

To improve retention and, consequently, enhance organizational performance, it's important for organizations to invest in employee development, create a positive work environment, and address any factors that may contribute to dissatisfaction or turnover. Regularly seeking feedback from employees and implementing strategies to address their needs can also play a significant role in fostering a workplace conducive to long-term commitment.

Table 3
“Difference of Responses on Strategic HRM Practices in Kailuan General Hospital When Grouped According to Category

Category	F-value	p-value	Interpretation
Alignment to organizational goals	4903.5	0.812	Not Significant
Management Strategies	4519	0.234	Not Significant
Utilization of Technology	4584	0.304	Not Significant
Employee Development Programs	4663	0.408	Not Significant

Legend: Significant at p-value < 0.05

Table 3 displays the comparison of responses on strategic practices when grouped according to profile. It was observed that there was no significant difference when grouped according to profile since the obtained p-values all greater than the alpha level. This means that the responses do not vary significantly.”

The lack of significant differences suggested by Davis [9] that individuals within the same profile category, whether it be based on demographics, roles, or other characteristics, had similar perceptions or responses to the strategic practices being evaluated. The organization may have successfully implemented strategic practices in a way that is perceived consistently across different groups. This could indicate that efforts to ensure fairness, equality, and inclusivity have been effective in reaching various segments of the workforce.

Table 4
“Difference of Responses on Strategic HRM Practices in Kailuan General Hospital When Grouped According to Category

Category	F-value	p-value	Interpretation
Employee Job satisfaction	4993	0.986	Not Significant
Turnover and retention rate	4830.5	0.677	Not Significant
Organization Support	4922.5	0.849	Not Significant
Employee Involvement in decision making	4830	0.675	Not Significant

Legend: Significant at p-value < 0.05

Table 4 shows the comparison of responses on organizational performance when grouped according to profile. It was observed that there was no significant difference when grouped according to profile since the obtained p-values were all greater than the alpha level. This means that the responses did not differ statistically.

This could indicate that the organization is being perceived consistently across different demographic or role-based groups. Employees within different profile categories may share a common understanding of the organization's goals, strategies, and overall effectiveness [10]. This alignment in perception can contribute to a cohesive organizational culture. The organization's strategic objectives and goals may resonate similarly across different profiles. This alignment could indicate that communication and alignment efforts from leadership have been effective in conveying a shared vision. The findings might suggest that communication strategies, whether related to organizational goals, performance expectations, or strategic initiatives, are reaching and resonating with diverse groups within the organization. Consistent perceptions of organizational performance within different profiles may also be reflective of high levels of employee engagement.

Engaged employees tend to have a clearer understanding of organizational goals and feel a stronger connection to the organization's success.

satisfaction, lower turnover rates, and increased employee involvement in decision-making. By understanding these relationships, the hospital can customize its HRM strategies for optimal performance.

Table 5
Relationship Between the Strategic HRM Practices in Kailuan General Hospital and Organizational Performance

Alignment to organizational goals	r-value
Employee Job satisfaction	.520**
Turnover and retention rate	.474**
Organization Support	.548**
Employee Involvement in decision making	.481**
Management Strategies	
Employee Job satisfaction	.424**
Turnover and retention rate	.456**
Organization Support	.364**
Employee Involvement in decision making	.381**
Utilization of Technology	
Employee Job satisfaction	.550**
Turnover and retention rate	.447**
Organization Support	.530**
Employee Involvement in decision making	.472**
Employee Development Programs	
Employee Job satisfaction	.525**
Turnover and retention rate	.497**
Organization Support	.487**
Employee Involvement in decision making	.455**

Legend: Significant at p-value < 0.01

Table 5 presents the association between Strategic HRM Practices in Kailuan General Hospital and Organizational Performance. The computed r-values indicate a strong direct correlation, and the resulting p-values were less than the alpha level. This means that there was a significant relationship and implies that the better is the strategic practices, the better is the organizational performance.

When it comes to enhancing organizational performance, implementing effective strategic practices is the key. By carefully strategizing and aligning goals with actions, a company can maximize its efficiency and success. Through thoughtful planning, regular evaluation, and adaptability, organizations can stay ahead in today's competitive landscape. It is crucial to continuously assess and refine strategies to ensure ongoing improvement and growth. Remember, the strength of an organization lies in its ability to strategize effectively and execute plans with precision [11].

In summary, study found that effective HRM practices at Kailuan General Hospital positively impact organizational performance by aligning with goals, management strategies, technology utilization, and employee development. This leads to improved efficiency and effectiveness, as well as higher job

Table 6
Proposed Action Plan to Enhance the Organizational Performance of Kailuan General Hospital

Proposed Projects	Strategic Interpretation	Performance Indicator	Office Responsible
1. Institutionalized policies and standards in the performance of duties and responsibilities	Highly Significant with p=0.001	Highly Significant	Hospital Director HRMO
2. Competency based management institutionalized	Highly Significant with p=0.000	Highly Significant	Hospital Director HRMO
3. Create Career path opportunities for officers and employees	Highly Significant with p=0.000	Highly Significant	Hospital Director HRMO
4. Create an Outcome based index as the measure for benchmarking	Highly Significant with p=0.000	Highly Significant	Hospital Director HRMO
5. Institutionalize Rewards and recognition for employees	Highly Significant with p=0.000	Highly Significant	Hospital Director HRMO

CONCLUSIONS AND RECOMMENDATIONS

The research conclusively demonstrates that strategic human resource management practices are

closely linked with enhanced organizational performance in the healthcare context of Kailuan General Hospital. Effective alignment of employees' understanding of the organization's goals, clear management strategies, integrated technology, and employee development programs not only foster a collaborative and progressive work environment but also contribute significantly to the overall quality of patient care. These SHRM practices were well-received by medical and non-medical personnel alike, affirming their role in achieving the dual objectives of improving organizational performance and ensuring patient satisfaction.

It is recommended that healthcare institutions, akin to Kailuan General Hospital, continue to invest in and refine their strategic human resource management practices. Particular focus should be given to enhancing communication channels to ensure that organizational goals and management strategies are well-understood across all levels of staff. Additionally, ongoing training and support for the effective use of technology in patient care are vital. Finally, to maintain high standards of care and employee morale, healthcare organizations should expand and tailor employee development programs to meet the evolving competencies required in the healthcare sector. These recommendations will likely lead to sustained improvements in organizational performance and might serve as a model for other healthcare institutions aiming for excellence in service delivery.

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