A Review of Management of Human capital in the Health Department of Shahid Beheshti University of Medical Sciences and Health Services

Dr Sanjar Salajegheh, Prvaneh Mousavi

Kerman branch Islamic Azad University, Kerman, Iran

ABSTRACT

Given the complex and competitive environments of present and future, a new paradigm in management science is rapidly shaping that is management of intellectual capital or organizational intellectual assets, which consists in combining three types of human, structural or institutional and relational capital. Therefore, a research was conducted in 2008 in the Health Department of Shahid Beheshti University of Medical Sciences in order to look into the status of human capital management in the organization and to identify how to enhance productivity in order to achieve organizational goals. In order to increase the accuracy of the survey results, the statistical population encompassed all the staff consisting of 153 employees. The required data including general, main, educational and personal research data were collected through questionnaires distributed in the statistical community who were duly instructed on the completion of them before they began to respond, and then the data collected were analyzed by EXCEL and SPSS software.

Results and conclusions from the study indicated the following:
- Management of human capital in the organization is not favorable (less than 50%)
- The higher the education level of employees, the lower the degree of conformity with the dimensions of human capital management including such processes as empowerment with the meaning of competence and qualification, empowerment in the sense of meaningfulness, recruitment, training, evaluation of human resource and the communication ability.
- The more specialized, technical and professional the working units become, (the relations in such units are more complex), the lower the degree of conformity with human capital management (mentioned above).
- The higher the job category is upgraded (higher administrative positions), the lower the degree of conformity with human capital management (referred to in part I).

Key words: Intangible Asset; Relational Capital; Human Capital; Structural Capital; Intellectual Capital

Introduction

In the complex and unpredictable atmosphere of the future, we will see in future organizations that the source of authority, knowledge and the foundations of production will be the brain and instead of workers, knowledge workers will emerge; managers must manage their intangible assets with the same accuracy they managed and assessed their physical assets in the past so a new paradigm known as management of intellectual assets is rapidly developing which is based on the premise that creation of value in organizations is the result of combining three types of capital:

1- Human capital: Including workforce knowledge, capabilities, skills and expertise.
2- Institutional capital: Refers to the important features that enable organizations to build and create the required goods and services through innovation, designing modern processes, systems and structures.
3- Customer Capital: It indicates external relations and communication, such as customers, and company reputation. Indeed, in a broad definition, intelligence capital of organizations represents a set of knowledge, skills, abilities and motivation of all its employees. So to compete in today's technological world, organizations are successful which are knowledge-based, take security measures to protect intellectual and knowledge assets, place emphasis on maintaining relationships with customers and consider the customers' tastes and preferences [1].

Human capital is used as the intellectual power of the staff useful for the organization or the capabilities and competencies of the employees used to provide solutions for customers [2].

Human capital is the source of innovation through capabilities, knowledge, skills, experience and problem-solving abilities of the employees in the organization [3].
The researched organization (Health Department of Shahid Beheshti University of Medical Sciences) is known as a knowledge-based organization and therefore the managers seemed to lay emphasis on appropriate management of intangible assets or intellectual capital to go along with the complex environment of the future and the main task and mission of the organization, namely the production of knowledge, to advance educational, health and medical goals [4]. With regard to the potentials of the employees who were mostly enthusiastic and efficient and also taking into consideration the fact that appropriate management of organizational assets in particular manpower and the efficient use of organization’s resources have been playing an important role in increasing productivity in the organization to achieve organizational goals with less time, the research was conducted with the aim to study the components of human capital, or more accurately the quality of human capital management which were identified in the research with the management of empowerment processes with the concept of competence and qualification, empowerment in the sense of meaningfulness, recruitment, training, evaluation of manpower and communication capabilities and during the survey the researchers decided to answer the question of the status of human capital management in the organization (Health Department of Shahid Beheshti University of Medical Sciences and Health Services) in the form of “Survey of Human Capital Management in the said organization” [5].

**Research History:**

**Executive model of research:**

To begin with using library resources the theoretical bases of the study were developed and then based on research literature, a questionnaire related to components of the research was developed and distributed among the staff, and the completed questionnaires were analyzed using Excel and SPSS software.

In designing the questionnaire, the questionnaire of doctor Bontis used in the cross-sectional study he had conducted in the US companies as well as the questionnaire designed at Mount Royal College, and then due to completion by internal organizations and particularly the organization in question certain changes were made to it and measures were taken to ensure authenticity and validity of the questionnaire, including using the viewpoints of scholars and experts, conducting a pilot study and correcting the existing problems and finally using SPSS software, and Cronbach's alpha coefficient indicating the validity of the questions [9]. The questionnaire included sections of general information, main questions as well as individual educational and research information. To respond to the main questions of the questionnaire the Likert spectrum and the five choices including “I absolutely agree”, “I agree”, “I have no comment”, “I disagree”, “I absolutely disagree” and “very low”, “low”, “medium”, “large”, “very much” were used.

The questionnaire was anonymous with no first or last names mentioned and it was reiterated to all the statistical population that information collected would be kept confidential, finally since 8 employees withdrew and the number of completed questionnaires was reduced to 145. There were 7 questions relating to general details including sex, age, job title, and years of service, Working Unit, education and marital status. Questions on specific details included sections of empowerment with emphasis on competence or qualifications, empowerment, with emphasis on the meaningfulness
of work, recruitment, training, and manpower evaluation and relation ability [10]. There was also a section reviewing the status of individual training and research in the organization consisting of individual trainings and researches; number of classes, effectiveness of classes on skills and ability of employees, the capability of the staff or the possibility of offering a variety of effective projects in solving problems of the system such as research and development based on the number of cases presented and the budget allocated to research by the organization [11].

Results and Discussion

The correlation of all demographic components in general information with specific questions of the questionnaire was studied using Pearson coefficient and the components with significant correlation are as follows:

* Review of the status of human capital management in the organization:

1- Empowerment with the concept of competence or qualifications in working:

- Experience:

When beginning to work the employee entered the system feeling highly competent but after going through culture adaptation process and engaging in the bureaucracy of administrative work the employee begins to suffer from everydayness and feel reactionary, after leaving behind the crisis in mid-career they somehow revert to their initial feeling and approaching retirement they begin to view 30 years of working life as vain [12].

- Education:

The higher the level of education goes beyond bachelor’s degree the degree of conformity with empowerment process in the organization decrease.

- Working Unit:

The more technically specialized the unit is the lower is the degree of conformity with empowerment process in the organization.

2- The concept of empowerment with meaningfulness:

- Education:

The higher the level of education goes, the lower will be the degree of agreement to the concept and term of meaningfulness of work.

Work Experience:

At the beginning of the career, the assigned work is not meaningful as newly recruited employees are not acquainted.

Once they have been culturally integrated and once they are familiar with the work rules and job type, the assigned work becomes more meaningful. Over time, the work becomes more monotonous, less and less dynamic and mundane rate and the level of conformity decreases again after passing through the crisis; the level of conformity increases so much that finally acceptance of the said concept reached 80% by the time of retirement.

3- Recruitment:

- Age and experience:

As the age and experience level increases the level of conformity with alternatives related to the recruitment process increases due to increasing familiarity with the organization.

- Education:

As the level of education increases disagreement to alternatives related to the recruitment process increases.

4- Human Resources Evaluation:

- Working Unit:

The level of conformity with Human Resources evaluation process was the highest among clerical staff and lowest among professional groups; in fact the more professional and specialized the unit is, the more the level of conformity with human resources evaluation process reduces.

5- Tendency to group communication:

- Occupation:

Managers showed their tendency and attitude in form of accepting to respond to the above concept, while the technical and professional body of the organization agree less to the concept of relation ability in the organization.

- Working Unit:

The more specialized and technical, the fewer were the affirmative answers to the question whether they are interested in working as a group and participate in group discussions. Technical employees in the organization tend less to have a group discussion, but their managers are in favor of group work.

- Education:
The higher the education, the less is approval of the said concept especially among technical staff.

**Summary of conclusions:**

- **Education:**
  
The higher the level of education goes, the less will be the degree of acceptance of the components of human capital management.

- **Working Unit:**
  
The more specialized (more sophisticated) the working unit is the less will be the degree of acceptance of the components of human capital management.

- **Occupation:**
  
The higher is the position in the organizational chart (higher position) the tendency to work in a group increases while assistants who are most likely to work under the supervision of managers, the tendency is less.

* **Evaluation of human resources:**

  One method of evaluating human resource management is to examine the process recruitment in and withdrawal from the organization and to compare the result with performance and workload in the organization but unfortunately no accurate information was obtained. (The process of recruitment and withdrawal from the organization was not known).

  One interesting matter subject to judgment in human resources is the matter of equality. A relative view of it can be gained by looking at the positions assumed by men and women; a year before the research the structure of workforce and administrative positions was indicated in the table below:

<table>
<thead>
<tr>
<th>Spectrum</th>
<th>Manager</th>
<th>Assistant in charge</th>
<th>Technician</th>
<th>Administrative Assistant</th>
<th>Administrative Officer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women</td>
<td>6.7%</td>
<td>4.4%</td>
<td>36.7%</td>
<td>3.3%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Men</td>
<td>10%</td>
<td>5.2%</td>
<td>20%</td>
<td>2.2%</td>
<td>10%</td>
</tr>
</tbody>
</table>

Looking at this table and tables related to the number of employees classified by gender, it seems that despite the smaller number of men (23.4% male and 76.6% female), the best and highest positions that is management, are mostly assumed by men.

* **Review of the status of training, enterprise resources:**

  Reviewing the educational and research information of individuals with regard to the organizational needs indicates a relatively appropriate status of the organization, the review of employee training profile showed that the number of courses that the employees had been offered by the organization had increased in comparison with previous years. The investigation, however, has revealed that the content of courses has not been adequately useful for the employees [13]. Meanwhile, employees of the organization did not have an effective and dynamic participation in seminars, workshops, involvement in solving the problems of the organization, and publishing papers in scientific and non-scientific journals and research projects, whereas the organization paid a fairly good budget for all research projects (organizational support).

* **Results:**

  The level of approval and disapproval of the processes related to human resource management is shown in the table below:

<table>
<thead>
<tr>
<th>Approval</th>
<th>Disapproval</th>
<th>Percentage of no comments percentage</th>
<th>Approval excluding the no-comment percentage</th>
<th>Disapproval excluding the no-comment percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>37.6%</td>
<td>43.2%</td>
<td>20.2%</td>
<td>47%</td>
<td>53%</td>
</tr>
</tbody>
</table>

Considering the views extracted from the questionnaires and since the amount of approval was less than disapproval, it was found that the human capital management taking into consideration the indicators of empowerment (competence, meaningfulness of work), recruitment, training, human resources evaluation and relation ability were not in a very favorable status in the organization. (Less than 50% favorable).

- There is not any known research about this subject in the organization.

**Suggestions:**

- Management should pay more attention to highly educated employees who have no offices.
- Management of technical, specialized and critical units of the organization must change from traditional management subject to serious hierarchy, to employee involved management. (In these units people have higher education, more technical work and more complex working relationships, given the questions in the questionnaire)
- Encouraging employees to work in a team; especially since success in health activities is dependent on teamwork.
- Managers should pay more attention to the weaknesses within the organization that can prevent the organization from achieving its objectives as there was a low level of agreement to the questions of “whether employees find the task organization meaningful” and “whether employees are satisfied with the organization”.
- Managers should care to improve the quality of working life of employees and use the assistance of employees in this regard.
- Emphasis on changing manpower and performance evaluation procedures in the organization by the organization management.
- Management supervision on quality improvement of training and retraining programs in order to improve skills, knowledge and performance of employees to achieve organizational objectives rather than considering only the number of courses.
- Supporting any creativity and innovation in the organization and proper encouragement of creative employees, without any prejudice by forming the fittest and the most committed juries to define and recognize innovation in the organization.
- Making efforts to improve the organization's operating costs, preventing wasteful spending, exercising optimal economy and increasing overtime pay of personnel within efficiency frameworks and the amount of effort the employees put to achieve organizational goals.
- Employees should attempt to improve their attitude towards optimism about management process in the organization so much as they do their duties properly and realize the results of their proper actions will eventually return to them.

References

5. Claudio Terra Jose and Angeloni Terezinha, 2005. Understanding the difference between information management and knowledge management.