

# Mediating Role of Job Satisfaction in the Relationship between Healthcare Employee Skill Up-gradation and Hospital Performance

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## Abstract

Hiring the best talent is a big concern for the organizations today but retaining and transitioning them according to the culture of the organization and also getting the best out of them is the important task of healthcare sector. In this concern, the current study is just an attempt to check the mediating role of job satisfaction in the relationship between talent or skill up-gradation and organizational performances in healthcare sector. Responses were collected from 142 hospital staff through well designed survey instrument at Bhubaneswar city of India, and then analyzed by structural equation models. Results showed that there exists a major mediating role of job satisfaction between skill up-gradation and hospital performances.

**Keywords:** skill up-gradation, organizational performance, job satisfaction, healthcare, India

## I. INTRODUCTION

Health care segment plays a vital role in the economy of a country, as this sector not only regulates the gross domestic product (GDP) of any country but also decides its exports status, employment, investment and medical health services. At present times, the job opportunities are rising very rapidly in healthcare sector as one of the fastest growing industries world widely. For which it needs proper planning, coordination and direction for the delivery of quality care and services to the patients in hospitals, clinics and any other health care related organizations.

Here, staffing right professionals need to be focused by filling the positions in healthcare which is more challenging than other industries. In order to compete in this modern era, healthcare organizations have to spotlight on talent/skill up gradation to retain the current talent/skilled pool. Highly skilled candidates are more likely to accept offers from organizations having a strong talent brand. Healthcare HR professionals are preferably

positioned to grow their companies' talent brands/skill, as it is the crucial factor for organizational performance. Offering a healthy development opportunity has been proven successful in retaining and promoting a strong talent/skilled pool. Analysis of current skills gaps makes the organization understand the current and future developmental needs for delivering quality care & services in healthcare units. After conducting a thorough review of knowledge, skills and abilities required for each position in this sector will definitely help employees to determine their present skill level. Gap analysis between two sets of skills gives a baseline for creating developmental opportunities (Bryan Barajas, 2016). Various studies revealed that smart healthcare organization must focus on employee development to retain, grow and engage a highly skilled workforce. The importance of required skills in healthcare cannot be underestimated as it deals with the life and death of patients. It has seen that a formal mentoring program creates enlarges scope and opportunities for

employees. By adding training to their present set of competencies can increase the job satisfaction level and the organization's overall performance. Leading healthcare industries have to not only offer training to the specific mandated courses but also give scope to explore & understand the concerned topics deeply for individual & organizational effectiveness. It is always beneficial to offer the staff a clear and step-by-step career mapping for enlargement of opportunities in order to help them to jump from their current state to the next level which automatically enlarge their satisfaction level and organizational excellence. In addition to this, the organization has also to explore many alternative ways to provide skill-based training for skill up gradation & job satisfaction from outside sources too.

As healthcare is one the influential industry both in terms of revenue and employment, it faces a big challenge i.e. shortage of skilled/talented manpower or workforce. In India, healthcare units not only short of skilled manpower but also lack infrastructure for healthcare training and skilling. Globally, there is a shortage of about 80 million healthcare workforces. Allied and Healthcare Professionals (A&HPs) are important for human resource network in healthcare sector. The skilled and efficient A&HPs can reduce the expenditure of hospitals to improve the accessibility to quality driven healthcare services and products. Apart from skill development, many medical and management professionals should look for up-skilling and re-skilling opportunities to enhance their knowledge and skills on the emerging trends in the healthcare industry.

Skill means talent or the ability/aptitude to perform a particular task or job. The hospital management has to identify, inculcate, utilize, retain and update the skills or abilities of the employees as per the interest of the organization. Skill up gradation means enhancement of capability and productivity. Upgrading skills gives many benefits like increase in self-confidence level, learning of some new skills, motivation to take on new tasks at work, and enhance the ability to communicate the employers

for making a difference in the workforce. A strategic talent/ skill management plan has to accept the principle of "proactive" not "reactive" in the organization for skill management & development. As medical Services interact directly with the patients both at front end and back-end; it is mandatory that the right skills need to be trained and updated from time to time. For training employees, it is also crucial to separate the different type of skills required for various job profiles. According to Swati Sisodia and Neetima Agarwal (2017) the skills and qualities such as interpersonal relation, communication, self-management, information & technology, teamwork, critical thinking and problem solving, working psychology, conceptual & analytical and planning & organizing are the crucial organs of any successful medical organization. Management and HR executives have to focus on developmental schemes to retain and create talented/ skilled employees. It has to also recognize some specific competencies like technical, analytical, experience and education/qualification to cultivate the field for continuous development.

Job satisfaction is a multi-dimensional and complex concept. It is defined as "a pleasurable or positive emotional state resulting from the appraisal of one's job experiences". Adams and Bond defined job satisfaction as "the degree of positive approach to work or the elements of work". It is also referred to employee's positive attitude towards the assigned tasks or job. Job satisfaction in healthcare sector is considered as an important factor for better organisational performance which can be accomplished through delivery of quality services and care by hospital staff.

Offering good service quality in healthcare is one of the important aspects of organizational success & excellence. All the units working in this sector must focus on supply of high-quality care & attention to the patients. A hospital should have instant ambulance services, infection free environment, availability of drugs & blood in time, medical equipments etc. for delivering services. In addition to this the personal qualities of hospital staff such as courtesy of administrative staff, responsibilities of

doctor & nurses, competency skill of doctors, nurses & paramedical personnel are important for the services. The trustworthiness of patients can be increased only when the confidence level of doctors & other staff is high, accuracy in billing system, maintenance of confidentiality etc. Through proper skill training or learning and developmental programs such targets can be achieved (Padma Panchapakesan, Rajendran Chandrasekharan and L. Prakash Sai, 2009).

In the above context, it is now implicated that due to growing demand in health sectors, skill up gradation is one of the significant dimensions for providing quality services in hospitals. The skill development training & programs can enhance the employee satisfaction and motivate them to give their best which in turn provide high quality care and services to patients. For any healthcare unit, the main task is to offer better quality services and facilities for its success. So, planning and implementation of skill up-gradation programs will be surely making the hospital staff more confident, knowledgeable and satisfied. The current papers aims

- To study the relationship of skill up gradation and overall hospital performances.
- To investigate the mediating role of job satisfaction on the link between skill up gradation & delivery of quality services in healthcare.

## II. REVIEW OF LITERATURE

According to Dr. Shanthi Rangasamy (2011) though the healthcare sector in India is undergoing a phase of reform due to rapid economic growth but still it has not been able to keep its velocity with the rise of population. Public hospitals are experiencing low trust from patients both in terms of the quality care/ services and facilities. Today, people wish to receive better service quality and care for which they prefer private hospitals or travel abroad for treatment purposes. Thus, hospitals working under National Health System are undergoing tremendous pressure from the government and general public for improving their quality of service and infrastructure to compete effectively for the survival of the fittest.

This challenge pushes the healthcare units for expansion of skilled talent pools which will makes it easy to build up appropriate skill sets in a broader group of employees. Such effort finally results in improved performance across all levels of the unit by functioning accordingly. Healthcare sector needs trained and skilled professionals for offering quality services to the patients. Skill development and knowledge enhancement in the healthcare sector is the need of the hour. India has been facing skilling challenge of enormous proportions in healthcare. As per the estimation of Dr Pulijala Srinivasa Rao (2017) approximately 104 million new aspirants will be needed for skill training by 2022 and 298 million existing personnel will need of further skill training over the same time. Skill building, skill development, skill up gradation & talent management are important proactive mechanism to face the challenges & enhance hospital performance. Creation of competent pool of human resources is very much important for an industry to compete and sustain in the present scenario. Successful healthcare administrators have to apply such competencies like communication, leadership, professionalism, knowledge and business skills regularly for employee satisfaction & organizational performance.

The skill development scheme of a hospital needs to-

- Enhance the capacity and potential of the existing system to ensure proper access to all
- Encourage learning skills by maintaining quality with relevance to changing requirements of job
- Build useful merger between education & skill development efforts
- Put effort on capacity building for planning and quality guarantee
- Create institutional instrument for research and development, quality assurance test, documentation, affiliation and accreditation;
- Increase participation of stake holders for adequate investment in skill development initiative

D.E.M. Sleiderink viewed that opportunities for self development and job satisfaction play important role in identifying and retaining talented/skilled

employees for better organizational performance. Though talent management helps to hires, reinforce and evaluate the talent, still management has to focus on personal growth, employee satisfaction and loyalty in employees as there is significant link between the factors such as attracting, aligning, maintaining & developing the talent/skilled employees and job satisfaction and loyalty (Zeinab Elahinejad and Abdolkhalegh Gholami). Research by Esmail Khodadadi, Hossein Ebrahimi, Sima Moghaddasian and Jalil Babapour (2013) explained that the self-efficacy, quality services, communication, and job satisfaction in nurses are very much influenced by skills training. Dr. Puja Sareen and Dr. Shikha Mishra, (2016) the productivity, growth and performance can be increased by improving the skill learning and development initiatives and retention strategy.

To accomplish organizational goals, companies need to focus on learning or education, training, and developmental programs to manufacture individual and group skill to improve the performance of employee and organization. The strategies which can be used by the firms for benefits with possible problems are (a) On job training enefits such tasks comprises physical labour at low cost (b) On job guidance program for employee development and enhancement of managerial skills with low cost (c) Learning process to enhance employees' ability to acquire skills at their own pace and also find some other methods to acquire more skills and knowledge. (d) Training on technical expertise to support development of organization and employees (Ana Maria Bercu, 2017).

To increase of proficiency and make a fine organization the management needs to assure that every talented/skilled worker has placed in the appropriate position. Talent/skill development is one of the important dimensions for job motivation & organisational development (Rastgoo Parvaneh, 2016). Another research by Anupam Rani and Dr. Upasna Joshi (2012) emphasized on practices such as talent/skill identification, development of internal and external needs and engagement to hunt for better performance and results. In the year 2016,

Danica Bakotic's concluded the presence of connection between job satisfaction and organisational performance. It is the job satisfaction that determines organisational performance rather than organisational performance determining job satisfaction. The finding of T. Naresh Babu indicates that talent/skill management practices such training and development, career growth, employee empowerment etc transform the employees into happier and more loyal employees to furnish positive organizational outcomes. According to Cornerstone (2011) empowering employees with suitable skill training and providing developmental support builds better workforce and enables these skilled groups to meet their ultimate goal i.e. delivery of outstanding patient care and services. Enabling employees through skill training is the essential and leading step toward addressing the challenges and bringing safety, best quality patient care and satisfaction.

Based on the above review literature, the following hypothesis has been derived.

H1: Employee's job satisfaction plays a major mediating role in the relationship between their skill up gradation and delivery of good healthcare services

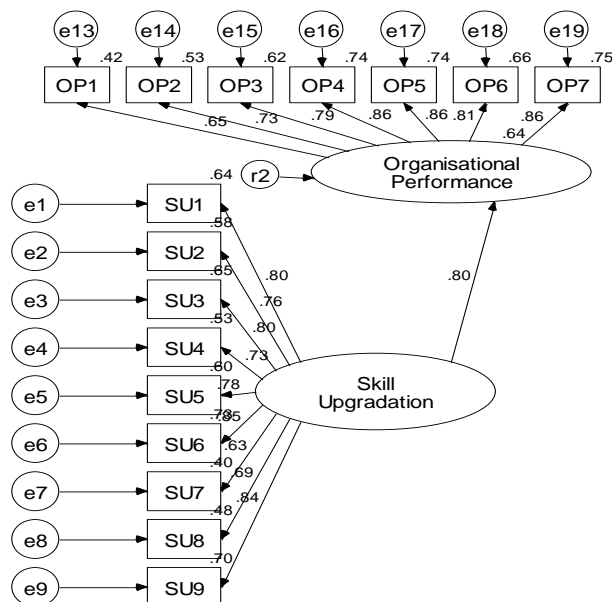
### III. RESEARCH METHOD AND DESIGN

The present study design was exploratory in nature. Survey method was adopted to collect the facts. Primary information was collected from doctors and paramedical staff of two major private hospitals situated at Bhubaneswar, city of India. Convenience method of sampling was chosen to select the respondents. Initially 250 numbers of employees were planned to consider, but refusal to respond and invalid responses restricted the final sample size to 142. A well structured valid and reliable questionnaire was developed to collect the responses. All the items of the questionnaire were finalized by referring established survey instruments (Rita Kagwiria Lyria, 2014). The study contains three major research constructs, namely, skill up-

gradation, job satisfaction, and organizational performance. Skill up-gradation has 9 measurement items and organizational performance has seven items. Job satisfaction is having three sub-constructs, like employee benefit & policy, staff development and team work. All the items were having more than 0.50 factor loadings in their respective constructs, which was verified in confirmatory factor analysis (CFA). The responses were gathered through applying the Likert's five-point scale form. To examine the existence of mediating role of job satisfaction, structural equation modeling (SEM) approach was adopted.

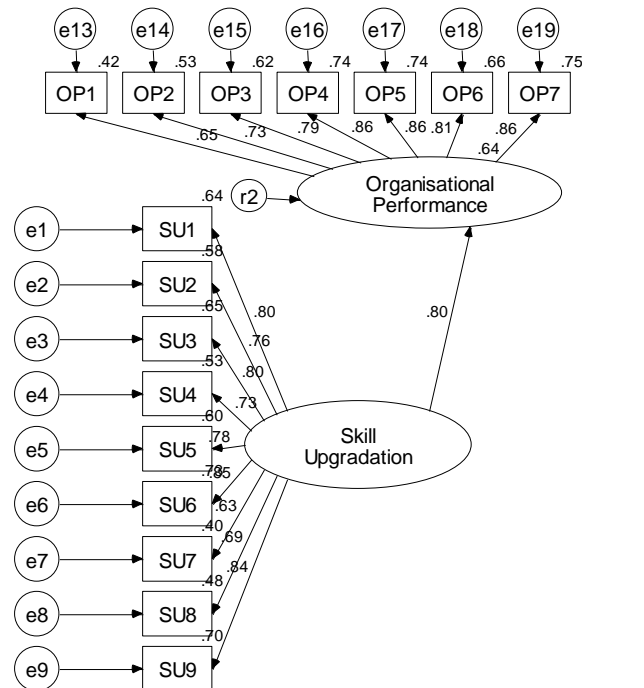
#### IV. RESULTS AND DISCUSSIONS

Initially, CFA was run to check whether measuring items are significantly loading relationship to their respective factors or not. It was found that all were well loaded. Then SEM path diagram.

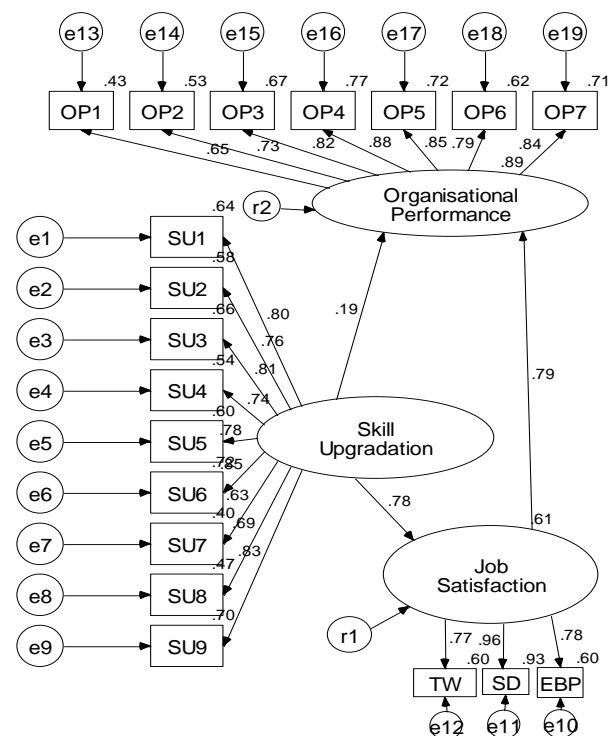


**Fig 1: Structural Equation Model showing the direct impact of Skill Up-gradation on Organizational Performance**

(Fig. 1) was drawn taking the help of Amos software to inspect the direct impact of skill up-gradation on organizational performance in health care industry. Similarly, SEM was created and run including job satisfaction as the mediator in the relationship between skill up-gradation and hospital performances (Fig. 2).



**Fig 2: Structural Equation Model showing the mediating effect of Job satisfaction in the relationship Skill Up-gradation and Organizational Performance**



The outcomes of these two SEMs are shown in table 1. As per table 1, the direct relationship between skill up-gradation (SU) and organizational performances (OP) of hospitals was in expected direction. Employees' skill up-gradation was found

to have significant impact on hospitals' overall performances ( $\beta = 0.800$ ,  $p = 0.000$ ). The model fit indices also provided evidence towards the validity of the empirical model (J. F Hair., W. C. Black, B. J. Babin, & R. E., Anderson, 2010).

Further, to examine the indirect relationship of SU with OP through mediator job satisfaction (JS), structural equation modeling was taken to confirm the hypothesis H1 as formulated earlier. Investigation was done to discover the role of the mediating variable (job satisfaction) on the correlation between SU and OP, following Hair et al.'s (2010) recommended that a full mediating influence exists if the relationship between exogenous variable (SU) and endogenous variable (OP) is not only reduced in magnitude but also insignificant. Table 1 (b) provides the empirical results which supported this fact of existence of full mediating impact of job satisfaction between SU and OP. Here, this model fit indices also provided evidence towards the validity of the model.

This is just a shift of achieving individual success to organizational success.

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Table 1 (a): SEM results of Direct relationships												
Hypotheses	Path		$\beta$	B	S.E.	C.R.	P	CMIN/d f	GFI	CFI	RMSEA	
-	SU	→ OP	0.800	0.588	0.079	7.412	0.000	2.279	0.919	0.935	0.071	
Table 1 (b): SEM results of Indirect / Mediating relationships												
H <sub>1</sub>	SU	→ JS	0.782	0.602	0.071	8.494	0.000	2.641	0.908	0.971	0.074	
	JS	→ OP	0.788	0.759	0.119	6.368	0.000					
	SU	→ OP	0.187	0.139	0.062	2.251	0.024					

## IMPLICATIONS

To achieve success in healthcare segment, the most essential thing is to recognize the skill set or talent that helps in achieving targets. Skill is the most vital factor to increase job satisfaction and drives an organization to reach a higher level. To meet out all various challenges successfully healthcare needs a strong, talented and skilled workforce. However, sufficient efforts should be made to create an environment of high leveled job satisfaction coming out of skill up-gradation. More focus on skill up-gradation will generate high level of job satisfaction among healthcare employees and enhance better performance of hospitals in the marketplace too.

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