

## Factors Affecting Planned Human Resource Development in the Iranian Social Security Organization's Hospitals

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**ABSTRACT:** Planned Human Resource Development is critical to educating a skilled and efficient workforce. The present study aimed at identifying the main factors of planned human resource development in Iranian Social Security Organization Hospitals. The study is done through analysis of a questionnaire designed after identification of the main variables. Iran Social Security Organisation hospitals (the major governmental health institutions in Iran) were chosen as a sample among all Iranian healthcare centers (n=65). Content validity and construct validity were assured with expert judgment and the reliability of the questionnaire was determined using Cronbach's alpha and Pearson correlation (first and second times). Cronbach's alpha coefficient was respectively as 0.811 and Pearson correlation was (p<0.001) 0.875. The questionnaire was filled out by the research community. After the sample size was proved to be sufficient the exploratory and confirmatory factors were analyzed. The findings of the present study indicated that two factors after the factor analysis of the component "Planning". The factors were "master plan for education" and "career development path". The calculated fitness indexes prove the desirability and appropriateness of the components and their structural relations. It is concluded that these factors have substantial roles in the Planned human resource development in these organization.

**Keywords:** *Planned human resource development, Iranian health care, Social Security Organization*

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### INTRODUCTION

In the 1980s research in the area of human resource management (HRM), Beer et al. (1984) stressed that in the face of increasing international competition organizations had to focus on the value of investments in human resources as a major source of competitive advantage. More recently the rise in the status of knowledge workers has highlighted the focus on human resources as the key to organizational productivity (Fojt, 1995; Tovstiga, 1999).

The difference of management and decision-making in foreign multinational subsidiaries as opposed to national companies is a 'classic' in International Management and International Human Resource

Management (Ferner, 1997; Walsh, 2001; Ferner and Quintanilla, 1998; Quintanilla, 2000).

Human resources and the potential they possess are key drivers for an organization success. With globalization and technological advances in modern world today's organizations are continuously changing. Thus, organizational change impacts not only the business but also the employees. In order to maximize organizational effectiveness, human potentials, individuals' capabilities, time, and talents must be managed and developed (Haslinda, 2009).

The latest definition by Desimone, Werner and Harris (2002) has defined HRD as "a set of systematic and

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planned activities designed by an organization to provide its members with the opportunities to learn necessary skills to meet current and future job demands”.

These systematic and planned activities are said to include training and development career planning and development, performance appraisals and management as well as change management for organizational development (Haslinda, 2010).

Otto believes (2005) that the main keys of human resource development are education, budget and planning.

Cromwell and Kolb (2004) conducted a study of participants in a large scale development program consisting of 56 hours of instruction over a 12 week period. Their examination of work environmental factors on transfer showed that lack of management support and planning and lack of time to apply learning presented significant barriers to learning transfer. Similarly, Hawley and Barnard (2005), in a study of training professionals using mixed methods analysis (surveys and interviews) found that learning transfer was negatively influenced when supervisory support and planning were missing.

Frank M. Horwitz et al., (1996) argue that effective individual and organizational change are most likely to occur when human resource development and diversity management approaches are adopted simultaneously. They also stated that appropriate information is a critical component for planning, monitoring and evaluating the effectiveness of HRD and diversity management.

Chaisiri (1997) argued that Human Resource Development is very important effective health care delivery especially in the public sector. Bureaucratic barriers, discontinuity, ineffective leadership, lack of systematic approaches and planning are major reasons for failures.

Mesbahi (2009) mentioned that neglecting human resource development planning, resources allocation, training and educating staff through a systematic and system oriented method causes for organizations , prolonging of working processes , dissatisfaction of operational core due to manner of delivering services by staff resources and eventually decreasing efficiency of these resources and organization.

Khamda (2009) said that in Iran’s social security organization the education management and human resource development and knowledge management are in improper levels.

Previous studies in Iran have also reported low levels of planned human resource development, it can be said that factors that affect planned human resource development in Iranian hospitals and other healthcare centers are not fully recognized. Therefore, the present research was performed with objectives such as the identification of factors affecting planned human resource development in the Iranian hospitals the research question was “what were the main factors that affect planned human resource development in the Iranian Social Security Organization Hospitals?”

## RESEARCH METHOD

First, the researchers developed a questionnaire based on variables of planned human resource development in hospitals. To assess the validity of the questionnaire expert judgment method was applied. Therefore the developed questionnaire, along with explanations regarding terms and concepts were presented to five university professors, five managers in the ministry of health, and four persons in education management unit in hospitals, and they were asked to express their views on its construct, content, formal appearance, and writing mode. Then the necessary amendments were made and the validity of its content and construct were assured.

Iranian Social Security Organization Hospitals (the major governmental health institutions in Iran) were chosen as a sample among all Iranian Healthcare Centers (n=65). To determine the reliability of the questionnaire, it was sent to all Social Security Organization’s hospitals. The questionnaire was filled out by the research community two times within an interval of 20 days. The members of research community were education manager of the Social Security Organization hospitals. After the mentioned questionnaires had been filled out, the reliability of the questionnaire was determined using Cronbach’s alpha and Pearson correlation (first and second times). Cronbach’s alpha coefficient of the component “Planned Human Resource Development”, was respectively as 0.811 and Pearson correlation was ( $p < 0.001$ ) 0.875. It showed that the questionnaire was reliable.

Next, Kaiser-Meyer-Olkin was used to determine the sufficiency of sample size, and Bartlett Test of Sphericity was applied to calculate the meaningfulness of correlation matrix. Then the exploratory factor analysis was performed with maximum probability approach to

identify the rate of loading of variables identified in the components, and Varimax orthogonal approach was used to interpret the variables. Finally the confirmatory factor analysis was used with application of Lisrel 8.7 to verify the fitness of factors achieved during the explanatory factor analysis. The fitness indexes were as follows:

Chi square index, goodness of fit index (GFI), comparative fit index (CFI), normed fit index (NFI), non-normed fit index (NNFI), incremental fit index (IFI), related fit index (RFI), adjusted goodness of fit index (AGFI), root mean square error of approximation (RMSEA), and root mean square residual index (RMSRI). If CFI, GFI, NFI, NNFI, IFI, RFI and AGFI are higher than 0.90 and RMSEA and RMSRI are less than 0.050 it proves a desirable and appropriate fitness (Alexopoulos and Kalaitzidis, 2004).

**RESULTS AND DISSCUSSION**

Table 1 shows some of demographic characteristics of the research community as it is indicated in the table a major part of the members of research community are very familiar with Human Resource Development topics in some details and most of them hold academic university degrees (table1).

In the first step, correlation of each variables, and internal consistency of all variables were calculated in the component. In the component “planning” the correlation of variable “Employment regulations “ with all variables was small. Therefore, this variable was omitted.

In the next step and before explanatory factor analysis, the Kaiser-Meyer-Olkin approach was used to determine the sufficiency of sample volume for each component and Bartlet test of sphericity was used to establish whether the correlation matrix has meaningful difference with zero or not.

The sufficiency of sampling and meaningfulness of the correlation matrix for the component “planned human resource development” was respectively: 0.710 and  $p < 0.001$ , 280.545. It shows that the explanatory factor analysis is permissible.

The explanatory factor analysis was performed with maximum probability approach and the variables were interpreted with Varimax rotation approach. The results showed that Two factors were extracted for the component “planning”, with special values of bigger than 1. The 1<sup>st</sup> and 2<sup>nd</sup> factors showed respectively 45.008 and 15.586 percent of the total variances of

**Table 1: Frequency distribution of research community in accordance with demographic characteristics**

Demographic factors		Frequency percentage
Sex	Female	58%
	Male	42%
Educational degree	Associates’ degree	5%
	Bachelor’s degree	59%
	Higher	36%
Acquaintance with of Human resource Development topics	Very high	14%
	High	47%
	Medium	36%
	Low	3%
	Very low	3%

variables. These two factors totally showed 60.597 percent of the total variances of the variables of “planning”.

The following variables formed the 1<sup>st</sup> factor:

- determine the overall and minor goals of human resource development
- determine criteria for evaluating the training results
- updated training records
- Determine the overall training plan
- adviser team of experts (outside the organization).

The following variables formed the 2<sup>nd</sup> factor:

- Employment based on personality factors (self-esteem
- order - customer satisfaction)
- notified the path specified career development with Staff Development Plan
- set career development path for each job (table2).

Then, the confirmatory factor analysis was made with the use of the software “Lisrel 8/7” to verify the fitness of the factors achieved by the explanatory factor analysis. In figure 1 path diagram of planned human resource development component was showed.

The fitness indexes of RMSEA, GFI, CFI, NNFI, IFI, RFI, AGFI and RMR were respectively 0.030, 0.93, 0.96, 0.93, 0.96, 0.84 and 0.023 for the component “Planned human resource development ”. The findings achieved from the confirmatory factor analysis show that these fitness indexes calculated for the component “Planned human resource development ” were desirable. AGFI and RFI were respectively 0.84 and 0.86 and Pvalue is less than 0.05 in the component “Planned human resource development”. Nevertheless, other fitness indexes are evidences of desirable and appropriate fitness (table3).

In the component “Planned Human Resource Development” the 1<sup>st</sup> and 2<sup>nd</sup> factors were named respectively “master plan for education” and “career development path”.

Table 2: Recycled matrix of factors

Planning					
Code	Variables	1 <sup>st</sup> factor	2 <sup>nd</sup> factor	t	R <sup>2</sup>
Variable14	determine the overall and minor goals of human resource development	0.475		5.56*	0.22
Variable15	adviser team of experts (outside the organization)	0.521		6.44*	0.27
Variable16	determine criteria for evaluating the training results	0.603		5.46*	0.47
Variable17	updated training records	0.832		5.45*	0.65
Variable18	Determine the overall training plan	0.523		5.94*	0.35
Variable19	set career development path for each job		0.974	5.42*	0.61
Variable20	notified the path specified career development with Staff Development Plan		0.592	6.52*	0.24
Variable21	Employment based on personality factors (self-esteem - order - customer satisfaction)		0.475	5.49*	0.29

\* t>1.96

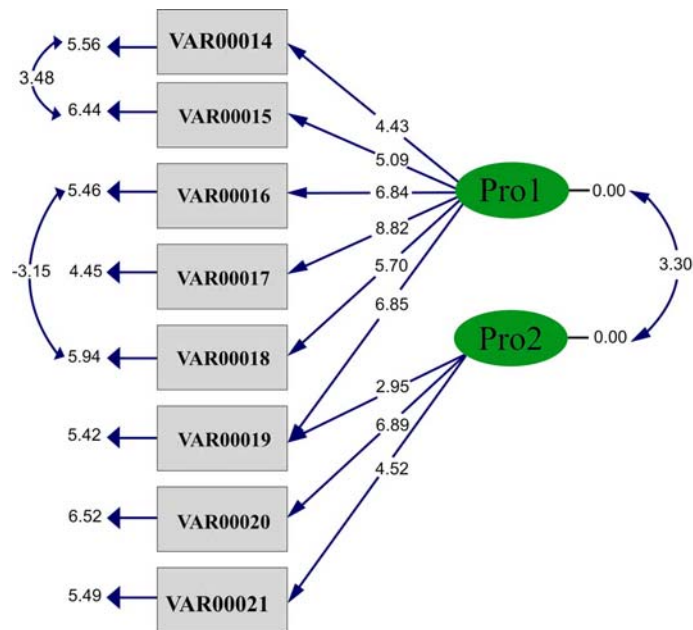


Figure 1: Path diagram of Planned human resource development component

Table 3: Fitness indexes calculated for each component

Component/ index	RMSEA	GFI	CFI	NFI	NNFI	IFI	RFI	AGFI	RMSRI	$\chi^2$	P-Value
Planned Human Resource Development	0.030	0.93	0.96	0.92	0.93	0.96	0.86	0.84	0.023	28.45	P=0.028

## CONCLUSION

Findings of this research showed that two factors have been identified regarding Planned human resource development in Iranian hospitals. First factor has been called “master plan for education” and the second one was “career development path”. The confirmatory factor analysis, too, indicates that the structural model of these factors was a proper one.

Arif Hassan (2007) have recognized HRD practices like potential appraisal and promotion, learning/training, performance guidance and development were positively related to organizational values of collaboration, creativity, quality, delegation, and humane treatment. However, performance appraisal system, career planning, and contextual analysis variables were negatively associated with values such as trust and creativity.

Moreover the findings of the research made done by Holton et al. (2006), state that Organizations use employee education programs to improve general and specific human capital compatibilities, to direct employee performance, and to influence employee engagement (Holton et al., 2006).

LeDeist and Winterton (2005) states that successful education programs have goals that align with organizational strategy; this alignment is intended to create mutuality between employee work related behaviors and employer short and long term goals (LeDeist and Winterton, 2005).

The findings of the present study are, therefore, in conformity with the findings of holton (2006) and LeDeist and Winterton (2005) regarding two said main factors as the major variables.

In a research which has been conducted by Fitizmons (1997), employing counselors’ managers and physicians and scientific societies have been emphasized and recommendations for programming, planning and education to extend development boundaries has been given. The importance of manger’s role and planning is also emphasized. The findings of Sun (2001) in surveying research in 18 countries showed that the automation level and developing human researches are different in countries. According to present research, in Iran, automation has not effective on planned human resource development.

In the suggestive model of Pahlevan, for human resources development in health care sector of Iran the most effect belongs to human resources, financial resources and physical resources which in fact are the variables of development planning of human resources.

Based on the findings of the present research, and taking into account that the factors such as “master plan for education” and “career development path” have been regarded by the those in charge of education management in the Social Security Organization hospitals, It can be concluded that these factors have a substantial role in planned human resource development and are the main components in the performing of prime importance human resource development in these organizations. Since that there are similarities in staff performance of hospitals in Iran, the results of this research can be extended to other health centers of Iran.

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