

## Chapter 1: Introduction

### 1.1 Background

Healthcare systems are facing extreme pressure to reduce costs, become more productive, and create improvements in the quality of service (D'Aunno, et al., 2000). The healthcare delivery system is one of the vital components of the government's public welfare schemes. Healthcare components like accessibility, quality, and cost are increasingly moving beyond the grasp of public. The downtrend in these important components has become a major issue which if not addressed soon may produce serious consequences for the government. The management of healthcare is very challenging; reforms are needed through a comprehensive overhaul of the entire delivery system, and the careful consideration of all pros and cons of developments in the concerned public healthcare areas (Ozcan and Smith, 1998). The serious ramifications of this issue have made this a priority of the concerned authorities. Healthcare organizations are facing several problems; therefore, radical organizational changes need to be introduced to improve the health delivery systems. One important area is the improvement of human resources in the healthcare organizations. In any healthcare setting, resource availability and employee competence are essential to guarantee the attainment of the desired performance level (Franco, et al., 2004). Human resources in UK health organizations have become essential in creating and improving the quality of healthcare delivery. The question that must be asked is: does NHS implement job evaluation that follows principles of pay equity? Pay equity broadly means the payment of the same level of wages to people who are of different genders, races, cultures or disabilities with the same job description. The concept of pay equity deals with the different types of discrimination. This includes the discrimination that happens when women or people of

different colors or races are compensated less than men who have been appointed to positions requiring similar levels of skill, effort, responsibility and working conditions (AFSCME, 2009).

## **1.2 Objective**

The objective of this study is to evaluate the job criteria of people employed in the healthcare organizations, thereby enabling these organizations to determine the levels of implementation of pay equity principles. This objective will be based on the job evaluation system that NHS has implemented for its employees. The outcome of the research would be an assessment of its effectiveness and completeness.

## **1.3 Statement of the Problem**

The National Health Service, or NHS, is the largest healthcare organization of the United Kingdom. The organization employs more than 1.5 million workers throughout the country. Globally, there are only three other organizations which employ more staff than the NHS; this puts into perspective the magnitude of its human resource (National Health Services, 2005). In order for hospitals to provide high quality healthcare, the different professions must work efficiently in teams dedicated to patient care (Lowe and Lowe, 2003). The deteriorating quality in NHS hospitals has increasingly become a major concern. With the challenges caused by changing business equations, the healthcare industry needs highly skilled persons who are able to work under stressful conditions. There are several business aspects that encourage HR strategies to move toward this new work environment using a flexible and versatile approach.

The long waiting list and low quality of healthcare services in the NHS hospitals have become major causes of concern. In healthcare, an innovative approach is needed for successful information dissemination, implementation of new schemes, and acquisition of better resources. In healthcare, both the methodology of the delivery system and the administrative inputs are vital

for success. Despite the state's sizeable spending on the healthcare system, the complexities that encompass the inter-related processes of its various elements are contributing to its falling standard of delivery. Issues and factors affecting the concept of safe hospitals at affordable costs must be addressed urgently to meet the challenges of the deteriorating healthcare services. The study is seen as an effort to gauge the performance outcome of the NHS workforce through an evaluation of their jobs and an examination of factors like pay equity.

In terms of the quality and number of personnel required by the healthcare industry, this study seeks to provide additional knowledge on the issue of pay equity in the NHS by studying the effectiveness of its efforts to implement pay equity principles through a proper job evaluation.

#### **1.4 Purpose of the Study**

The purpose of the study is to gauge the extent of the influence of job criteria and job skills on the employee's competitive levels, job satisfaction, and retention. Private equity in the hospital industry also seems to have significantly increased the cost of healthcare without promising any improvements in the quality of service delivery and patient safety; both of which are highly dependent on the individuals who work for these health organizations. Despite the huge spending by the government on the provision of healthcare services to the public, the complexities that encompass the interrelated processes of the various elements of the system still seemingly contribute to its falling standards of delivery. This concerns human resource management in particular.

The hospitals are plagued with increasingly low numbers of staff presence, which is adversely affecting the quality of its health delivery system. This has resulted in long waiting lists and deteriorating qualities of healthcare services. The study would primarily be evaluating

the job description against the existing job profiles of the staff to find out whether the principles of pay equity have been implemented for different genders, races, and cultures in the NHS. The study also examines the impact of such implementation on the employee performance outcome.

### **1.5 Significance of the Study**

The objective of the study is to assess the job evaluation efforts of the NHS to determine whether the organization is able to practice pay equity based on the job content of the different positions. The result of the study is expected to enhance the knowledge on the impact of job evaluation in implementing pay equity principles. This may enable the healthcare organizations to create a restructured healthcare system that is safer, more efficient and manageable, and less costly. Such HR strategies are aimed to help apply national practice guidelines that would simultaneously reduce complexity and variability, and create improvements in the quality of healthcare service delivery for millions of patients (National Coalition on Healthcare, 2004). The study becomes relevant in light of the use of advanced technologies in the provision of healthcare services and where there are chances of having employees from different races, colors, ethnicities, and genders (women, in particular). Human resource being central to the organization's vision and goals, HR leadership initiatives become a crucial factor for creating and organizing an effective workforce.

### **1.6 Research Hypothesis**

The study would seek to find theoretical support for the research hypothesis, which states that NHS implements a poor job evaluation system that undermines the successful implementation of the principles of pay equity in the healthcare organizations.

## **1.7 Research Questions**

The study, while finding theoretical support to the research question stated above, will also find possible answers to the following:

1. Does the NHS implement job evaluation to assist pay equity in its hospitals?
2. Does NHS promote job equity in projects which it forms under public-private partnership?
3. Will pay equity create better working conditions?

## **1.8 Disclaimer**

The research was accomplished after the proper acceptance and authorization of the instructor. The information covered throughout this dissertation has been used with the assurance that copyright and plagiarism issues have been fully covered. The research report was created with intention not to be exhaustive. Although much care has been taken in the research and preparation, business decisions should not be formulated on the basis of this report. The distribution of the research report is subject to the condition that it shall not, in any way of trade or otherwise, be resold, lent, or circulated on a commercial basis without the prior approval of both the instructor and researcher.

## **1.9 Structure of Report**

The paper has been designed to follow the following structure of chapters:

Chapter 1: Introduction

This is the introduction to the dissertation assisted by background, scope and objectives of the research.

## Chapter 2: Literature Review

This chapter is a discussion of previous research studies related to human resource management, job evaluation, pay equity and its link to the private and public sectors. This chapter also discusses the importance of quality in healthcare in both sectors. It will also introduce the National Health Service as an organization.

## Chapter 3: Research Methodology

This chapter is an elaboration of the research methodology adopted for the research study and the aspects of the research that the research methodology will cover.

## Chapter 4: Findings and Analysis

This chapter is a presentation of the findings from the adopted research methodology and literature review.

## Chapter 5: Conclusion

The conclusions and recommendations are drawn from the critical literature review and presented in light of the theoretical literature review. They outline the outcome of the critical analysis tool used in the current research.