

FACTORS AFFECTING THE PERFORMANCE OF HOSPITAL STAFF: A LITERATURE REVIEW

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ABSTRACT

In today's rapidly changing environment, modern organizations, whether producing goods or providing services, must maximize the utilization of available resources to ensure overall operational success. This is especially true in the healthcare industry, where hospitals, as key health service providers, face increasing competition and fast-evolving technological challenges. The COVID-19 pandemic has significantly altered hospital service models, with patient demands becoming more diverse. This study aims to review the literature on key factors affecting the performance of hospital staff, offering valuable insights for hospital management. These insights can be applied to further research and practical applications in hospitals.

Keywords: Performance, Leadership, Organizational Culture, Human Capital, and Innovation,

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INTRODUCTION

In the 21st century, global technological advancements have significantly impacted various industries, including healthcare. Hospitals, as key providers of health services, must continuously adapt to rapidly changing environments to remain competitive and effectively meet the evolving needs of patients. The COVID-19 pandemic has further accelerated the transformation of healthcare service models, with telemedicine and virtual care becoming integral components of healthcare delivery. A 2020 survey by PricewaterhouseCoopers (PwC) revealed that a significant portion of patients prefer receiving medical services through virtual platforms, presenting new challenges for hospitals in terms of service delivery and supply chain management. China's healthcare industry is one of the fastest-growing sectors globally, driven by strong government support and policies such as the "Healthy China 2030" strategy. Introduced in 2015, this strategy aims to comprehensively reform the healthcare system, improve public health, and promote the development of the health services industry. This study analyzes the key factors affecting hospital staff performance by synthesizing literature on these critical factors to develop a conceptual framework that can be applied to hospitals in Guilin, located in the Guangxi Zhuang Autonomous Region, a significant area in China. As an international tourist destination, Guilin not only requires high-quality medical services for its residents but also must be capable of meeting the healthcare needs of international visitors.

REVIEW OF RELATED LITERATURE

Leadership

Leadership is widely recognized in hospital management as a key factor influencing organizational performance. Research suggests that leaders can directly influence employees' attitudes and organizational performance by setting visions, motivating teams, and driving organizational change. Garcia Morales et al. (2012) found that transformational leadership can enhance organizational performance by promoting organizational learning and innovation. This is particularly important in the hospital setting, where rapid changes in the healthcare industry require organizations to have a high level of adaptability and innovation. The study suggests that leaders can drive organizational progress by motivating employees. Furthermore, Senge (1990) introduced the theory of the learning organization, which further supports the importance of transformational leadership. Senge emphasized that leadership plays a critical role in shaping a shared vision and promoting continuous learning and adaptation. He argued that in a rapidly changing healthcare environment, transformational leadership is crucial for enhancing organizational adaptability and competitiveness. In 2014, Md. Rahman et al. highlighted the significant impact of leadership on hospital employees' performance. They found that leaders who communicate clearly, support employee development, and cultivate a positive organizational culture can significantly enhance overall hospital performance. This indicates that leadership in hospital management not only serves as the core of strategic planning but also directly affects employee attitudes and satisfaction. Islam et al. (2008) further pointed out that leadership has a profound impact on shaping employees' behaviors and attitudes. Their study found that effective leaders can improve job satisfaction and organizational commitment through strategic guidance and support, which is critical for enhancing overall hospital performance. Finally, Graham et al. (2022) explored the relationship between leadership and organizational culture. They found a significant correlation between effective leadership and the development of a positive organizational culture, which in turn enhances organizational performance. In healthcare institutions, hospitals with strong leadership are often able to foster a strong sense of belonging and organizational identity among employees, thereby improving employee performance.

Table 1: Leadership-Related Literature

Leadership Factors	Transformational Leadership	Communication & Support	Cultural Shaping	Job Satisfaction	Organizational Commitment
Garcia Morales et al. (2012)	✓				
Senge (1990)	✓		✓		
Md. Rahman et al. (2014)		✓		✓	
Islam et al. (2008)		✓		✓	✓
Graham et al. (2022)			✓		✓

Organisational Culture

Organizational culture plays a crucial role in shaping employee behavior and enhancing organizational performance. Hospitals, as highly specialized organizations, have unique cultural characteristics that directly impact employee attitudes and performance. Ravasi and Schultz (2006) noted that organizational culture is a key factor in how companies respond to identity threats. A strong organizational culture can enhance employee commitment and cohesion, leading to higher job satisfaction and the achievement of organizational goals. In the hospital setting, creating a patient-centered culture can improve service quality and patient satisfaction, thereby boosting overall organizational performance. Schein (2004) further explored the impact of organizational culture on organizational performance. He argued that culture influences employee behavior and decision-making processes, which in turn significantly affect overall organizational performance. In hospitals, cultivating a patient-oriented culture can improve healthcare quality and enhance organizational performance. Feeney and Stritch (2019) found that family-friendly policies and a gender-balanced work culture positively impact work-life balance for public sector employees. Such a cultural environment can enhance job satisfaction, reduce work stress, and ultimately improve organizational performance. Kim et al. (2021) emphasized the role of leadership in shaping organizational culture. Effective leaders who advocate and practice core organizational values can create a culture that encourages collaboration, innovation, and continuous learning. This type of culture can boost employee engagement and performance, particularly in healthcare institutions. Finally, Beham et al. (2020) explored how flexible work arrangements can enhance job satisfaction by improving work-life balance. This suggests that a flexible and inclusive organizational culture can effectively promote employee performance and strengthen the overall competitiveness of the organization.

Table 2: Organizational Culture-Related Literature

Organizational Culture Factors	Patient-Centered	Family-Friendly Policies	Gender-Balanced Culture	Collaborative & Innovative Culture	Flexible Work Arrangements
Ravasi and Schultz (2006)	✓				
Schein (2004)	✓				
Feeney and Stritch (2019)		✓	✓		
Kim et al. (2021)				✓	
Beham et al. (2020)					✓

Human Capital

Human capital refers to the knowledge, skills, experience, and abilities of employees, which play a critical role in driving organizational innovation and enhancing performance. In highly specialized organizations like hospitals, the quality of human capital directly affects the level of healthcare services and organizational competitiveness. Schultz (1961) first introduced the concept of human capital, emphasizing its importance in organizational development. As the knowledge economy has developed, human capital's role in driving organizational innovation and sustainable growth has become increasingly important. High levels of human capital can enhance organizational flexibility and adaptability, as well as strengthen competitive advantages. Gamlath (2019) explored the impact of human capital on employee job satisfaction in Sri Lankan export manufacturing companies. He found that effective human capital management can significantly improve employee satisfaction and performance, thereby

enhancing overall organizational performance. Tang et al. (2018) demonstrated that training and education are crucial means of enhancing human capital. By providing continuous learning opportunities, hospitals can improve employees' professional abilities, thereby improving the quality of healthcare services and organizational competitiveness. Putra et al. (2020) emphasized the complementary relationship between human capital, leadership, and organizational culture. They argued that leadership and organizational culture can not only enhance the potential of human capital but also promote innovation and improve the work environment, thereby enhancing organizational performance. Finally, Yan et al. (2020) highlighted the significant impact of family-friendly practices on employee well-being. By creating a supportive work environment, organizations can increase the value of human capital, thereby improving overall organizational performance.

Table 3: Human Capital-Related Literature

Human Capital Factors	Knowledge	Skills	Experience	Training & Education	Work Environment
Schultz (1961)	✓				
Gamlath (2019)		✓	✓		
Tang et al. (2018)				✓	
Putra et al. (2020)		✓	✓		✓
Yan et al. (2020)					✓

Innovation

Innovation is key to maintaining competitiveness in hospitals, particularly in a rapidly changing healthcare environment. Innovation encompasses not only technological advancements but also process improvements and management innovations, all of which directly impact hospital efficiency and service quality. Schumpeter (2008) argued that innovation involves not only technological advancements but also process improvements and management innovations. He believed that innovation is a driving force behind organizational development, significantly enhancing market competitiveness. In the hospital setting, innovation can lead to new healthcare technologies and service models, thereby improving overall operational efficiency and service quality. Wang and Ahmed (2004) demonstrated that enhancing organizational innovation capabilities can significantly increase market competitiveness. By strengthening process innovation and management innovation, hospitals can better respond to external environmental changes and improve overall organizational performance. Chesbrough (2006) explored the impact of open innovation on organizations. He proposed that open innovation, by integrating external resources with internal innovation, can enhance an organization's innovation capabilities, which is particularly important for hospitals in addressing complex healthcare needs and improving service quality. Putri et al. (2021) highlighted the role of innovation in improving employee job satisfaction and organizational performance. They found that an innovation culture can stimulate employee creativity and encourage continuous improvement, thereby enhancing overall organizational performance. Finally, Kim et al. (2021) examined the impact of leadership on innovation. They found that leaders who support and encourage innovative activities can enhance organizational innovation capabilities, thereby increasing organizational competitiveness and performance.

Table 4: Innovation-Related Literature

Innovation Factors	Technological Advancements	Process Improvement	Management Innovation	Open Innovation	Innovation Culture
Schumpeter (2008)	✓	✓	✓		
Wang and Ahmed (2004)	✓	✓			
Chesbrough (2006)				✓	
Putri et al. (2021)					✓
Kim et al. (2021)					✓

RESEARCH FRAMEWORK

This case study indicates that there were four variables such as leadership, organizational culture, human capital, and technological innovation that affecting the performance of hospital staff.

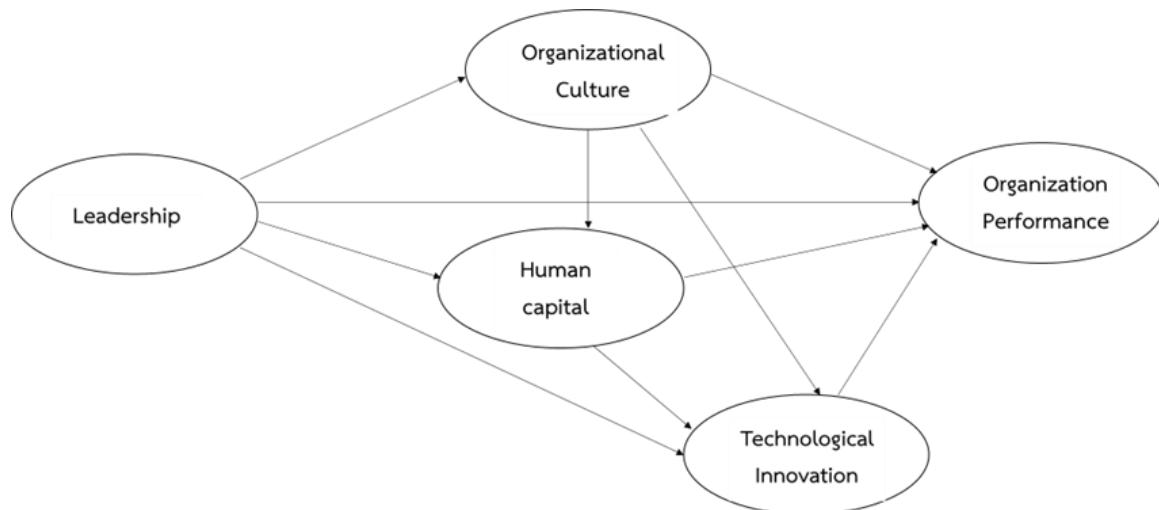


Figure 1: Research Framework

CONCLUSION AND DISCUSSION

This study identifies that the performance of hospital staff is significantly influenced by four key factors: leadership, organizational culture, human capital, and innovation. Leadership plays a crucial role in motivating employees and driving organizational change, which is essential in the rapidly evolving healthcare environment. Organizational culture affects employee engagement and satisfaction, with a patient-centered approach leading to improved performance outcomes. Human capital, bolstered through continuous training and development, enhances service quality and fosters innovation. Finally, innovation is vital for adapting to new challenges and improving hospital efficiency. Strengthening these areas is essential for hospitals aiming to maintain high service standards and adapt to the swiftly changing demands of the healthcare industry. Focusing on these key factors will not only improve internal operations but also enhance patient care, positioning hospitals to effectively meet both local and international healthcare needs. The findings of this study provide a valuable framework that can be applied to further research and hospital management practices in Guilin, Guangxi, China.

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