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ADDRESSING ORGANIZATIONAL VITALITY: UNVEILING THE NEEDS OF HUMAN RESOURCE AUDITS FOR EFFECTIVE PERFORMANCE MANAGEMENT IN PRIVATE HOSPITALS

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ABSTRACT
In the dynamic landscape of healthcare, private hospitals play a pivotal role in delivering quality services and ensuring optimal patient care. To sustain and thrive in this competitive environment, the need for efficient management practices is more crucial than ever. This article delves into the essential aspect of organizational vitality in private hospitals, emphasizing the significance of Human Resource (HR) audits. As healthcare institutions increasingly recognize the pivotal role of their workforce, aligning human resource strategies with performance management becomes imperative. This article aims to explore the specific needs that prompt private hospitals to undertake HR audits, shedding light on the impact these audits can have on enhancing overall organizational performance. By uncovering these vital aspects, we aim to provide valuable insights into the symbiotic relationship between HR audits and effective performance management in the context of private hospitals.
Keywords: Human Resource Audit, Performance Management, Private Hospitals, Organizational Vitality, Healthcare Management

1. INTRODUCTION
In the contemporary landscape of organizational management, Human Resource (HR) functions play a pivotal role in shaping the efficiency, culture, and overall success of enterprises. As businesses evolve to meet the demands of a dynamic environment, the concept of HR audit emerges as a crucial tool for assessing, enhancing, and aligning human capital strategies with organizational objectives. An HR audit is a systematic process of examining and evaluating an organization's HR policies, practices, and systems to ensure they are in compliance with regulations, effectively contributing to business goals, and promoting a positive workplace culture. It involves a comprehensive review of HR functions, including talent acquisition, employee relations, performance management, training and development, and legal compliance.

The rationale behind conducting an HR audit lies in its ability to provide organizational leaders with a holistic view of the effectiveness of their human resource management practices. By systematically analyzing HR processes, an audit helps identify areas of strength and weakness, allowing organizations to make informed decisions to enhance productivity, mitigate risks, and foster a supportive work environment.

2. KEY OBJECTIVES OF HR AUDIT

1. **Evaluate HR Effectiveness:** The primary objective of an HR audit is to assess the efficiency and effectiveness of HR functions in contributing to organizational success.
2. **Ensure Legal Compliance:** HR audits help organizations ensure compliance with labor laws, regulations, and industry standards, mitigating legal risks.
3. **Identify Areas for Improvement:** By scrutinizing HR processes, an audit reveals areas that require enhancement, facilitating strategic improvements in workforce management.
4. **Enhance Employee Engagement:** An effective HR audit contributes to creating a positive workplace culture, improving employee Performance, and fostering engagement.

3. REVIEW OF LITERATURE

Bersin (2013) delineated data analytics as a legitimate field of study requiring skills in investigation, visualization, statistical understanding, and problem-solving. HR executives, although comfortable discussing budgets and forecasts, often struggle when faced with discussions on relationships, predictive analytics, or any form of analytical testing (Marquez, 2007).

Giuffrida (2013) suggested that some barriers are linked to the organizational culture or the lack of technological capabilities, both at the organizational and individual levels. Coolen and Ijselstein (2015) argue that "only those organizations that manage to create and maintain a clear combination of various relevant capabilities will be successful in HR analytics." Today, data and big data have completely transformed how we perceive and engage in business. Companies recognize that data and analytics are the way forward to achieve their business goals and target more effectively. Therefore, organizations need to integrate HR analytics into their operations for more informed and evidence-based decision-making to ensure organizational effectiveness.

Marler and Boudreau (2017) contend that HR Analytics is a practice providing managers with the information needed to link HR processes to employees' behaviors and ultimately to the outcomes of the organization. Their research reveals a positive correlation between HRA and organizational effectiveness.

Lakshmi and Pratap (2016), in their study on the strategic role of HR Analytics, reveal that for HR to play a more strategic role and have a greater impact on the business and its outcomes, HR professionals must embrace analytics and delve into its tools and methods to unlock its full

potential. This will enhance various desired organizational outcomes, such as improved organizational performance, higher levels of employee engagement, and increased satisfaction.

Ingham (2011) states that HR professionals must focus on analytics by identifying the right metrics and presenting them in a meaningful way to drive strategic business decisions. Similarly, Ben-Gal (2019) argues that the only way for organizations to adopt and invest more in HRA is to understand the ROI, which will guide the way forward both academically and practically.

Chattopadhyay et al. (2017) reveal that the landscape of data analytics within HR has been transformed, playing a more strategic role in driving business performance and building competitive advantages. When implemented correctly, HRA has the ability to make HR more efficient and cost-effective, ultimately leading to more desirable business outcomes.

Levenson and Fink (2017) suggested that data scientists, not skilled at evaluating HR processes and their impact on organizational systems, often focus on minor improvements in HR program design and overlook greater business challenge issues. Kuhn (2016) opined that HR managers cannot provide business-relevant information because their HRIS is not designed to generate such information. Consequently, the expensive analytics capabilities provided by the latest HRIS fail to deliver the strategic capabilities of HRA.

4. STATEMENT OF THE PROBLEM

In private hospitals, the effectiveness of performance management is critical for ensuring optimal healthcare services and organizational success. However, the current understanding of the impact of human resource audit practices on performance management in private hospitals is limited. There is a need to explore and unveil the specific needs and challenges associated with human resource audits to enhance performance management in the unique context of private healthcare organizations. This study aims to bridge this gap in the literature by investigating the relationship between human resource audits and performance management, providing valuable insights for improving organizational vitality in private hospitals.

5. OBJECTIVES OF THE STUDY

The primary objective of this study is to unveil the specific needs of human resource audits for enhancing organizational vitality and promoting effective performance management in private hospitals.

6. RESEARCH MEDHODOLOGY

The research methodology is the systematic and structured framework that guides the entire research process, from the formulation of research questions to the analysis and interpretation of results. It serves as the roadmap for conducting a study, outlining the approach, methods, and

techniques used to gather and analyze data. In the context of this research, "Addressing Organizational Vitality: Unveiling the Needs of Human Resource Audits for Effective Performance Management in Private Hospitals," the research methodology is designed to provide a rigorous and comprehensive investigation into the intricate relationship between human resource audits and performance management within the unique setting of private hospitals. The research design serves as the blueprint that shapes the entire investigative process, guiding the study's structure, methods, and overall approach. For the research endeavor titled "Addressing Organizational Vitality: Unveiling the Needs of Human Resource Audits for Effective Performance Management in Private Hospitals," a mixed-methods research design will be implemented. This comprehensive design combines both qualitative and quantitative methodologies, offering a nuanced exploration of the complex relationship between human resource audits and performance management within the unique context of private hospitals. Qualitative methods, including in-depth interviews and focus group discussions, will be employed to elicit in-depth perspectives and insights from key stakeholders such as human resource managers, administrators, and employees. These qualitative approaches are invaluable in capturing the richness and depth of experiences, perceptions, and attitudes related to the study's focal points. Complementing the qualitative methods, quantitative data will be collected through structured surveys distributed to a representative sample of employees. By employing standardized scales and statistical analyses, the quantitative aspect aims to quantify patterns, correlations, and significant relationships between variables associated with organizational vitality, performance management, and perceptions of human resource audits. This mixed-methods design enhances the study's robustness, allowing for a more comprehensive understanding of the multifaceted dynamics at play. The triangulation of findings from both qualitative and quantitative analyses contributes to the validity and reliability of the study's outcomes. Through this thoughtfully crafted research design, the investigation aspires to shed light on the intricate interplay between human resource practices and performance outcomes in the specific context of private hospitals, offering valuable insights for both academia and practitioners in the field.

7. ANALYSIS OF OVERALL PERFORMANCE OF HR EXECUTIVES ON NEED FOR HR AUDIT BY USING THE NEURAL NETWORK (NN) METHOD

The Neural Network architecture, used in this study, is a multilayer feed forward network using SPSS 20. The architecture which provides the best fit for the data is the network with three hidden layers and an output layer. The learning and momentum parameters are 0.6 and 0.9 respectively and error convergence falls below 0.01 Percent. Tan sigmoid is the activation function chosen for the hidden layers, and the pure linear function is used to get the output layer which is the real time values. The architecture which provides the best fit for the data is the network with eight input layers, eight covariate variables and one hidden layers and one output layer, as shown in figure 4.2. The model used in this work is the Feed Forward Multilayer perception, using the Back Propagation Algorithm. Where (4-3-1)

8-Input layers
8-Covariates layers
1-Hidden layers
1-Output layer

All inputs are analyzed in the experimental validation part, with appropriate output results by the illustration of graphs so that the influences of the parameters of tensile strength are taken into consideration. The network information is presented in the table. The validation of the estimated NN and Experimental value illustrations is shown in Figure.

Figure – 1
Basic Neuron Model for Overall Performance of the HR executive on need for HR Audit

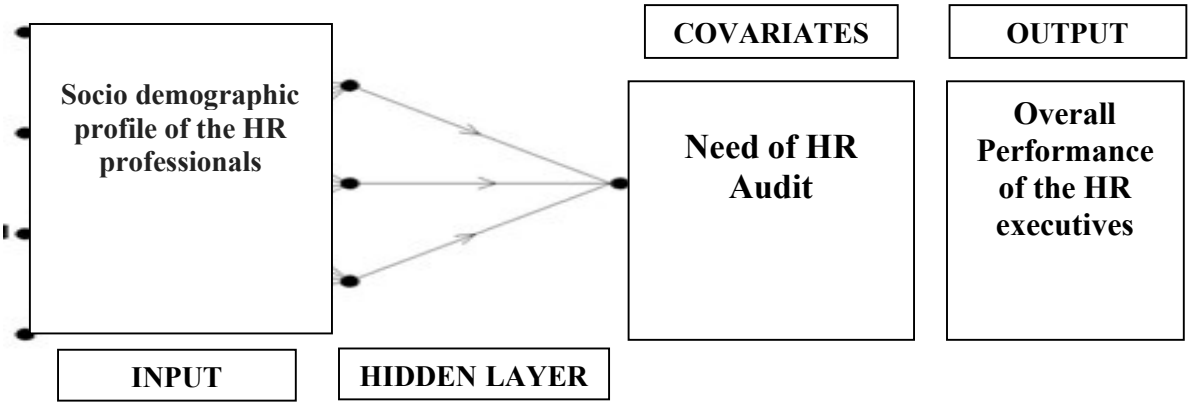


Table - 1
Model Summary for Neural Network Model for need for HR Audit

Training	Sum of Squares Error	105.289
	Relative Error	.928
	Stopping Rule Used	1 consecutive step(s) with no decrease in error[a]
	Training Time	0:00:00.17
Testing	Sum of Squares Error	76.878
	Relative Error	.975
Dependent Variable: Overall Performance		
a. Error computations are based on the testing sample.		

Source: Output generated from SPSS 21

The Model Summary for the Neural Network Model focusing on the need for HR Audit delineates key performance indicators during both the training and testing phases. In the training phase, the model exhibits a Sum of Squares Error of 105.289, indicating the sum of squared differences between predicted and actual values. The Relative Error, standing at approximately 92.8%, denotes the proportion of the total error. The stopping rule reveals that the training process encountered 1 consecutive step(s) with no decrease in error, prompting a pause. The efficient training time was

remarkably short at 0 hours, 0 minutes, and 0.17 seconds. Transitioning to the testing phase, the Sum of Squares Error was 76.878, with a Relative Error of around 97.5%. The model is centered on predicting "Overall Performance" based on the input variables, and the error computations are specifically derived from the testing sample, providing insights into the model's performance on unseen data. This information originates from the output generated by SPSS 21, a statistical software package.

Table – 2

Neural Network Model for Overall Performance on need for HR Audit

Input Layer	Factors	1	Gender
		2	Age
		3	Marital Status
		4	Educational Qualification
		5	Experience
		6	Annual Income
		7	Type of business of IT Company
		8	Current position in the IT organization
	Covariates	1	Ambiguous talent acquisition
		2	Increasing attrition rate
		3	Improvement of recruitment process
		4	Reinforcement of performance management system
		5	Unclear compensation policies
		6	Embrace a data-driven culture
		7	Enhance company performance
		8	Better productivity from employees
	Number of Units[a]		36
	Rescaling Method for Covariates		Standardized
Hidden Layer(s)	Number of Hidden Layers		1
	Number of Units in Hidden Layer 1[a]		3
	Activation Function		Hyperbolic tangent
Output Layer	Dependent Variables	1	Overall Performance of the HR executives
	Number of Units		1
	Rescaling Method for Scale Dependents		Standardized
	Activation Function		Identity
	Error Function		Sum of Squares

a. Excluding the bias unit

Source: Output generated form SPSS 21.

The Neural Network Model designed for predicting Overall Performance concerning the need for HR Audit involves three layers: Input Layer, Hidden Layer, and Output Layer. The Input Layer comprises factors like Gender, Age, Marital Status, Educational Qualification, Experience, Annual Income, Type of business of IT Company, and Current position in the IT organization. Additionally, Covariates such as Ambiguous talent acquisition, Increasing attrition rate, Improvement of recruitment process, Reinforcement of performance management system, Unclear compensation policies, Embrace a data-driven culture, Enhance company performance, and Better productivity from employees are considered. The number of units in the Input Layer, excluding the bias unit, is 36, and the rescaling method for Covariates is standardized. Moving to the Hidden Layer, there is one layer with three units, each utilizing the hyperbolic tangent as the activation function. The Hidden Layer processes the input information and extracts relevant patterns. Finally, the Output Layer predicts the dependent variable, which is the Overall Performance of HR executives. The Output Layer has one unit, and the activation function used is Identity. The error function employed for training the model is the Sum of Squares. This architecture, generated through SPSS 21, signifies the complexity of the neural network in capturing relationships between input factors and the targeted outcome for assessing the need for HR Audit.

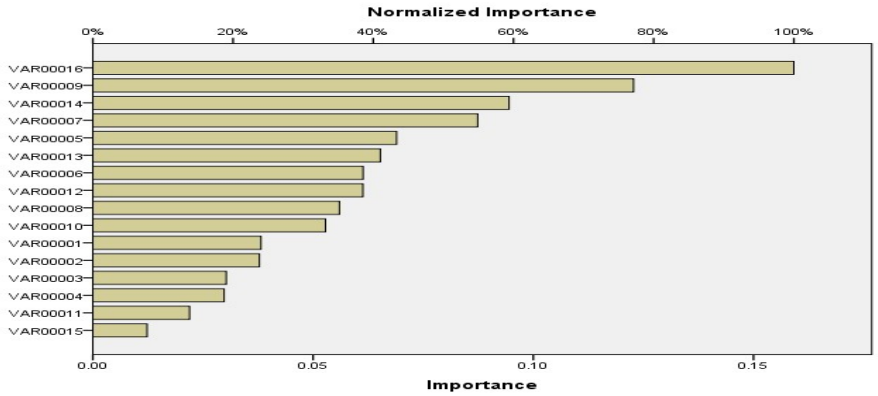
Table – 3

Independent Variable importance for Neural Network Model for the Overall Performance of the HR executives on need for HR Audit

Independent Variable Importance	Importance	Normalized Importance
Gender	.038	24.0%
Age	.038	23.8%
Marital Status	.030	19.0%
Educational Qualification	.030	18.7%
Experience	.069	43.3%
Annual Income	.061	38.5%
Type of business of IT Company	.087	54.9%
Current position in the IT organization	.056	35.2%
Ambiguous talent acquisition	.123	77.1%
Increasing attrition rate	.053	33.2%
Improvement of recruitment process	.022	13.8%
Reinforcement of performance management system	.061	38.5%
Unclear compensation policies	.065	41.0%
Embrace a data-driven culture	.095	59.4%
Enhance company performance	.012	7.7%
Better productivity from employees	.159	100.0%

Source: Output generated from SPSS 21

Figure – 2
Normalized importance for the Overall Performance of the HR executives on need for HR Audit



The Independent Variable Importance table provides insights into the significance of each variable in predicting the Overall Performance of HR executives in relation to the need for HR Audit, as determined by the Neural Network Model. The Importance column presents the absolute importance of each variable, while the Normalized Importance represents the contribution of each variable as a percentage of the total. Among the demographic factors, Experience (Importance: .069, Normalized Importance: 43.3%) and Type of business of IT Company (Importance: .087, Normalized Importance: 54.9%) emerge as crucial contributors. Ambiguous talent acquisition (Importance: .123, Normalized Importance: 77.1%), Embrace a data-driven culture (Importance: .095, Normalized Importance: 59.4%), and Better productivity from employees (Importance: .159, Normalized Importance: 100.0%) are the most influential factors. These findings indicate that organizational and strategic elements, such as talent acquisition, data-driven culture, and productivity, play a substantial role in determining the Overall Performance of HR executives and, consequently, the necessity for HR Audit.

8. RESULTS AND DISCUSSION

The results from the Neural Network Model for Overall Performance of HR executives on the need for HR Audit suggest that several factors significantly influence the performance of HR professionals in the context of HR Audit requirements. Notably, demographic factors such as Experience and Type of business of IT Company play vital roles in determining the overall performance of HR executives. More specifically, individuals with substantial experience and those working in specific types of IT companies exhibit a higher likelihood of better overall performance. Moreover, strategic factors, including Ambiguous talent acquisition, Embracing a data-driven culture, and Enhancing productivity from employees, emerge as critical determinants. The Neural Network Model highlights the importance of these strategic aspects in shaping the effectiveness of HR executives, emphasizing the need for a clear talent acquisition strategy, a

commitment to a data-driven culture, and efforts to enhance overall employee productivity. The findings underscore the multifaceted nature of factors influencing HR performance, demonstrating that both demographic and strategic elements contribute significantly. These insights can guide organizations in developing targeted strategies to enhance HR performance and meet the evolving demands of HR Audit effectively.

9. CONCLUSION

The identified needs for HR audits, as discussed in the article, emphasize the necessity for private hospitals to embrace this proactive approach. The evolving landscape of healthcare demands a robust and adaptable workforce, and HRAs provide a structured framework for evaluating the effectiveness of HR practices, identifying gaps, and implementing targeted improvements. The article emphasizes the significance of understanding and addressing the specific needs of private hospitals, acknowledging the unique challenges and dynamics within the healthcare industry. It underscores that HRAs, when tailored to the context of private hospitals, can contribute significantly to organizational effectiveness, employee engagement, and overall performance outcomes. Furthermore, the article highlights that effective performance management in private hospitals requires a holistic approach, integrating HRAs as a continuous and strategic process. The findings suggest that by recognizing and addressing the specific needs identified through HRAs, private hospitals can enhance their adaptive capacity, foster a culture of continuous improvement, and ultimately elevate their overall organizational vitality. As private hospitals navigate the complexities of the healthcare environment, the insights from this article underscore the pivotal role of HRAs in shaping a resilient, agile, and high-performing workforce. By addressing these needs and leveraging HRAs as a strategic management tool, private hospitals can proactively steer towards sustained organizational vitality and excellence in performance management.

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