



**Prifysgol Cym**  
Y Drindod Dewi Sar  
**University of W**  
Trinity Saint David

## **HUMAN CAPITAL MANAGEMENT**

Student Name: Manjula Babubhai Odedra

Student ID: 2331788

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Lecturer: Nishi Ramsurrun

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## **Executive Summery**

The NHS faces a number of formidable questions at the moment and they include: Underfunding, shortage of staff, burnout, and elderly patients. They are some of the problems that make it hard for it to offer good health care services. To tackle these issues it requires a framework which can be discussed under the broader topic of Human Resource Management (HRM) and International Human Resource Management (IHRM). By implementing and analyzing HRM and IHRM theories, the challenges within the NHS can be resolved. The NHS should be able to fund its personnel adequately, improve working conditions for employees, and allocate sufficient budget to address healthcare needs in the UK to deliver quality health care.

## 1. Introduction

Effective understanding and apprehension of challenges that relate to human resources at the workplace can be well explained through Human Resource Management (HRM) and International Human Resource Management (IHRM) theories. The UK's National Health Service (NHS) is currently experiencing acute human resource issues with absolute shortage of nurses and doctors which are further exacerbated by funding limitations, staff exhaustion, long patient waiting lists, ageing population and lack of medical facilities. It discusses these issues and reviews the principal internal and external variables impacting the supply of HR, with the application of the HM and the IHRM concepts. In addition, a position analysis for doctors in the NHS is presented using actual and relevant data gathered for this purpose. The challenges that affect the delivery of healthcare in the NHS include the following; The NHS: The NHS is one of the largest publicly funded health services in the world as it is composed of England's National Health Service.

## 2. Heading 1: Current Challenges in the NHS

***Lack of Funding:*** This has brought about the problem of low funding which has resulted in some problems such as inadequate staffing, lack of equipment, inadequate services being rendered, among other challenges (The Medic Portal, 2024). The funds available for the National Health Service, known as the NHS budget, have been unable to handle growing demand and costs. As a result, resources are not being allocated effectively, and the longer waiting time is increasing day by day. On the other hand, this scarcity of the fund is also creating hindrance to the skilled nurses and NHS to maintain the quality of the patient care. Besides this, due to lack of adequate funds new technologies and infrastructure are also not possible to improve. All these results are putting in trouble for maintaining their health care services with high quality work.

***Shortage of Nurses:*** There is a nursing workforce shortage in the NHS due to complex issues like Brexit, the COVID-19 pandemic and ageing staff (The Medic Portal, 2024). This shortage is not only detrimental to the provision and quality of care to patients but also adds more pressure to already stretched staff causing burnout implications. However, according to the report, the percentage of nurses is being lower in comparison to the previous years. The report has shown that the number of people exiting the register in Mn is the lowest in five years; it was scarce than 24,000 (23,936) in 2020-21 compared to 34,941 in 2016-17 (NMC, 2021). On the other hand, Today's report also explains the effect that the primary lockdown due to Covid-19 had on international recruitment to the UK. Last year there was a 24 percent drop in the number of people who joined the register from EEA (NMC, 2021), and there was a three month period at the start of the pandemic when the figures reached almost zero. Therefore, it can be said that all these reasons are also contributing to the staff shortages issue of the nurses. Additionally, the scarcity of the shortages of nurses has arrived due to the ageing issues among the recent skilled nurses.

***Staff Burnout Due to High Volume of Work:*** Higher patient turnover and shortages of staff have contributed to the rise in workload and stress that is particularly inherent to the nurses working within the NHS (Future Care Capital, 2024). This has led to extremely high rates of attrition, absenteeism, and high turnover rates among the staff. The current study has confirmed that the NHS has been experiencing a stress-related sickness absence that is above the average than all the job sectors in the country. Stress, together with anxiety, other psychiatric conditions, are always recorded as the main cause of sickness absence in the

NHS; 476,000 full-time equivalent days were lost in 2017 (NHS employers, 2024). The sample survey conducted in March this year for 2022 disclosed that 44% Of the staff, 8 per cent said they have a feeling of sickness due to work stress (NHS employers, 2024).

### 3. Heading 2: Key issues in estimating internal and external supply of human resources

#### 3.1. Key Internal issues

##### ***Lack of Skilled Nurses***

The internal factors practically revolve around the scarcity of skilled nurses in the workforce of the NHS (The Guardian, 2023). Some of the reasons for shortage include skilled workers' old age, few training programs, and high turnover in the organisation. In the UK, there is a primary shortage of nurses and there is a need to create more available spots for nurse training. Solving this problem means wanting more money to invest in education, offering training for professional development of nurses, and taking better care of the staff nurses we already have.

##### ***Long Working Hours***

Since most of the healthcare workers or specifically the nurses are always on their feet interacting with patients, they are usually exhausted, stressed and experience burn out. From the above discussion, it can be deduced that long working hours are as a result of understaffing and high turnover due to patient volume (Statista, 2024). Flexible working conditions and adequate staffing are considered as ways of dealing with this problem. This is according to the NHS Workforce Plan 2023 that stresses on the importance of improving the staff-to-patient ratio.

##### ***Multi-Tasking which ranges from Social Care to Nursing?***

The personnel of the NHS are frequently expected to act not only as skilled nurses but also deal with social care and administrative work. Such multitasking can eventually lead to dissatisfaction and stress on the job as well as poor results (Augenstein *et al.* 2021). As a result, it is necessary to clearly determine the responsibilities of workers in an organisation and strengthen the support staff. In our case, The King's fund notes that integrated care models could assist in this regard by eliminating duplicate effort and work realisation for nurses.

##### ***Poor Pay Scheme***

Relative to rewards, the determination of the pay structure especially to NHS staff and particularly nurses have been an issue of controversy in the past (RCM, 2022). This implies that if the payment is very low relative to work demands and stress, then, morale will be low, and turnover high. The pay scheme needs to be reviewed and enhanced as one of the ways to

attract and retain the desired quality of nurses. This is where the RCN has advocated for fair pay to tackle these issues.

### ***Absence of Motivations in Relation to Staff***

Cynicism, demotivation or buyer sellers' power can originate from diminished status and reward, restricted promotional ladder, and appalling workplace environment of the NHS staff. Incorporating good reward and recognition practice, providing good promotion and progression opportunities and working environment can help to motivate the staff. Out of all the staff that were included in the NHS Staff Survey, only 65 % expressed that they feel valued by their organisation, indicating that there is a strong need for enacted general motivation (NHS Staff Survey, 2023)).

## **3.2. Key External Issues**

### ***Poor recruitment and selection procedures.***

Improper recruitment and selection processes only pose a threat to the NHS's delivery of quality healthcare since it is not able to attract and hire competent nurses (OGMA HR, 2024). Optimising these processes and employing social networks, company's connections and other advanced methods for the search of officers can enhance the companies' efficiency and productivity of the recruiters. The REC which is commonly known as the NHS recruitment and Employment Confederation reiterates the need to innovate the staffing procedures with regards to employees.

### ***Large Talent Pool***

One positive factor is that skilled and talented people are abundant in the United Kingdom, who works in the NHS. However, to reap from this source, firms need to approach the market correctly and be willing to offer appropriate incentives to the employees they seek. Other potential sources can be educational institutions and professional organisations with which the company can cooperate. This long-term plan for the NHS has the objective of extending the collaboration with universities in order to diversify recruitment.

### ***Financing***

Sufficiency of funds is also essential to sustain recruitment, training and employee retention strategies. Some of the areas where the Funding of the NHS hinders its functioning are that due to limited resources they cannot pay attractive remuneration packages, embark upon training sessions, and cannot sufficiently equip themselves (Khan, 2023). To tackle this

problem, policy advocacy and seeking additional funding, as well as pursuing diverse funding options, is required. The discussion in the section on the NHS Long Term Plan presented a plan for increased investment in workforce development.

### ***Technological Investment***

Going by the above, the adoption of technology can enhance the delivery of health care services (Bokolo, 2021). To address this issue, the government has to provide enhanced funding towards modern medical equipment and digital health technologies as they can improve the patient care experience and alleviate the workload of the washed-out medical staff. The last factor is to ensure that staff receives proper training that will help to implement new technologies from scratch. The NHS Digital Transformation program is designed to ensure that the best technologies are introduced and adopted in health services.

### ***Political restrictions***

External supply is influenced by political forces, for instance political attitude towards immigration and healthcare policies. For instance, fluctuations in the immigration laws would have a knock-on effect on the NHS's potential to hire nurses from other countries (Nursingtimes, 2023). It is crucial to promote policies that are friendly for the supply of abundant skilled human resources and also to address the maze of existing legislation. The immigration laws after Brexit are even more challenging when it comes to immigration, especially for Central and Eastern Europeans.

## 4. Position analysis for NHS Doctors

### **Job Description and Responsibilities**

Tasks of the doctors working in the NHS may vary depending on the specialisation and years of practice. Their main tasks are to identify clients, offer them health care and medication, treat illnesses, operate in cases of necessity, and offer preventive care. Doctors are also engaged in the procedure of educating the patients, conducting investigations, and administrative work. They practise in different health facilities whereby they can practise individually, within hospitals, clinics, and community health centres.

### ***Required Qualifications and Skills***

To practise clinical medicine in the NHS, a person must be a qualified medical practitioner in possession of a medical qualification recognised by GMC.

Essential skills for NHS doctors include:

***Clinical Expertise:*** Mastery in diagnosing as well as treating various diseases and illness.

***Communication Skills:*** Perception of being able to address the needs of the patients' families and other healthcare staff (NHS, 2024).

***Empathy:*** In this case, the authors focus on the need to show respect and empathy to patients.

***Problem-Solving Abilities:*** Ability to come up with implement decisions that are efficient in matters that require swiftness (NHS, 2024).

***Time Management:*** To cope with workload within time or outside of work, to be under pressure and still perform well.

### **Working conditions**

Research studies conducted at Nuffield Trust and presented recently show that more than 41,000 front line staff who works for mental health services have dissimilar responses to flexible work, bullying, discrimination and career advancement opportunities than rest of the NHs Staff. In comparison to other types of clinical staff, clinical support staff currently account for more than a third that is 37.6%, of all clinical staff within the ambit of the NHS working in mental health services (Nuffield Trust, 2021). Thus, this group will contribute to the efforts to address the raised demand for mental health services caused by the COVID-19 outbreak. Many doctors employed in the NHS mean that they are available for work at night, weekends, or on holidays. The work requires the services of physically and emotionally strong people, and the pressures are usually high and expectations are high. Yet, many of them report high job satisfaction, which surely comes as no surprise.

The NHS delivers diverse kinds of frameworks, some of which are for mental health and other for development work that doctors endure through their work. Choice of flexible work arrangements is very low with more than half of the job descriptions analysed demanding flexibility from employees rather than offering flexible working schedules. Those respondents who identified themselves as Mental Health Support Workers reported a lower level of satisfaction with the level of flexible working that is available when compared to all Mental Health staff (161 out of 282 respondents = 56.9 % compared to 213 out of 346 respondents=62.8 %) (Nuffield Trust, 2021). Therefore, it can be said that all the working conditions within the NHS is also creating issues among the employees for burnout and increasing workload that is also affecting their mental health.

### ***Pay***

#### Doctors in Training

Basic Salary: £32,398 pa to £37,303 pa (Healthcareers.nhs, 2024). Additional Pay: It accurately stated that protected hours are provided for doctors in training and work hours beyond 40 are enhanced and a 37 % enhancement for night shifts, weekend allowances, availability on-call and other possible premium.

#### Specialist Training

Basic Salary: £43,923 to £63,152 (Healthcareers.nhs, 2024) . The new pay scale started from August 2023.

Additional Pay: As in the case of foundation training, additional pay covers overtime premium, cab-rank, Night shift, Saturday and Sunday work and on call.

House staff commences his or her employment with fair remunerations that rank amongst the best in the country, with better remunerations for work during odd hours and working on call. All these boosts are justifiable by the nature of their working schedules as well as the need to provide for the enhanced pay for the long and shifting hours, which are characteristic of most medical education.

### ***Recommendation through Human Capital theory for better HR management***

Human Capital Theory holds that people's value increases for any organisation when they are educated, trained, or developed (Gerhart. and Feng, 2021). Thus, the application of this theory in treating HRM and IHRM precedents of the NHS identifies ways of reducing such problems as insufficient funding and staff scarcity by emphasising the achievement of the greatest utility from people assets. Effective CPD programs guarantee that old staff never

stagnates in their professional practice by receiving regular professional development, which is likely to intensify their performances and satisfaction. Various research has shown that, when career tracks are spelled out and well defined, employees are encouraged by the goals and steps that would lead them up within the NHS. It also improves the morale of the employees as well as minimises chances of employee turnover since competent workers are challenged to seek other jobs. To attract and retain competent employees, MNCs have to offer or match the training and development programs offered in their home countries (Gruzina *et al.* 2021). Thus, providing the development that is suitable specifically for international hires can serve as another useful approach to ensure that the newcomers become more engaged in the NHS workforce.

## Conclusion

This report seeks to emphasise why human resource planning is essential in the survival and success of the NHS. Neglecting the internal and external supply of human resources to the organisation will impact the quantity and quality of human resources such as the nurses and doctors in the context and circumstances by advancing working conditions, increasing recruitment and retention procedures, and investing in professional development. At the moment, the NHS has to cope with a range of problems: it has insufficient funding, employees' deficit, staff's critical rates of burnout, and the continuously growing number of patients aged 60 and over. These problems have consequences on the standard and productivity of the health care services in the United Kingdom. Human Capital Theory plays an essential role also enlightening the necessity of investing in human capital that are the healthcare personnel. Through such an approach, the NHS will be in a position to adequately provide for its members' PDR in order to equip them to meet the challenges of contemporary health care delivery. Most importantly, this investment enhances individual and team or group performance as well as organisational performance or competence and, therefore, patient outcomes.

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