INTRODUCTION

Healthcare human resources management (HRM) operates within a complex external environment. Therefore, when we consider the future of healthcare HRM and the healthcare workforce, we must also consider the trends that are specific to the healthcare field and its workforce, the concerns that affect HRM as a whole, and the changes that will have an impact on human resources (HR) functions in the future. These three sets of issues are overlapping and interrelated.

TEN HEALTHCARE TRENDS

The healthcare field is dynamic and unpredictable. This unpredictability is natural—healthcare is about people and hence absorbs changes in all areas of society, including politics, the economy, immigration, and popular culture. The ten key trends that are expected to cause major changes in the healthcare field, and consequently on its workforce, are examined in this section and summarized in Exhibit 12.1.

TECHNOLOGICAL INNOVATION

One area that is not yet clearly understood but is geared to make an impact on healthcare is genetics. The Human Genome Project reached a turning point in April 2003 when the full human genome sequence was completed. As research continues about the hereditary and genetic factors associated with disease, more details concerning the treatment and management of disease will emerge, raising the question, what kind of education, training, and specialization do physicians and other caregivers need?

Other emerging technologies, including imaging, information technology, and telemedicine, are also poised to make an impact on the healthcare workforce, similarly generating new types of positions and specializations. More unpredictable than the types of jobs that may emerge is the impact of these changes on the structure and functioning of healthcare organizations. Will current organizational charts be viewed as simplistic and obsolete when new relationships and organizational forms develop? Will current models of supervision become archaic in the advent of new information technologies and innovations?

Information technology has changed the face of HR through the increasing impact of human resources information systems (HRIS). The impact of HRIS can be dramatic: because they automate routine HR functions, HRIS can lower administrative costs, increase productivity, speed up response times, enhance decision making, and improve customer service. HRIS are most frequently used to automate payroll processing, maintain employee records, and administer benefits programs (Human Resource Department Management Report 2004).
One of the major HRIS trends today is **HR self-service**. HR self-service involves Internet-based systems that allow managers to access employee records for administrative purposes and enable employees to change personal information or benefits. The self-service system reduces paperwork and offers greater convenience to managers and employees. Software to recruit, screen, and pretest job applicants online before interviewing and hiring them and software for training and promotion purposes are gaining popularity (Snell, Stueber, and Lepak 2007).

**Consumer Mind-Set of Patients**

With the increased availability of medical and health information on the Internet comes consumers who are more health literate and savvy. This trend is leading to a healthcare environment that is driven by consumers. In the future, consumers will likely have possession of their own healthcare records and perhaps maintain their health information through personal health records (PHRs). As consumers assume a larger share of their own healthcare costs, we may see customized health benefit plans designed to meet each person’s unique needs. Consequently, the healthcare workforce will need to be more attuned to consumer demands and concerns, and healthcare organizations will have to make it easier for patients to participate in their own medical decision making.

**Focus on Quality and Evidence-Based Medicine**

Business pressures and the movement toward evidence-based medicine will force healthcare organizations to set quality and clinical outcomes goals, work toward achieving them, monitor them, and publicize the results. Organizations will need clinicians and teams to

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**Exhibit 12.1**

Ten Healthcare Trends

1. Technological innovation
2. Consumer mind-set of patients
3. Focus on quality and evidence-based medicine
4. Security and privacy
5. New healthcare professionals
6. Information technology and decision support systems
7. Globalization
8. Demographic changes (aging, diversity)
9. Prevention and disease management
10. Patient safety

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**HR self-service**

The use of Internet-based systems that allow managers to access employee records for administrative purposes and enable employees to see or change their personal information or benefits.
Total quality management (TQM)
A set of principles and practices whose core ideas include understanding customer needs, doing things right the first time, and striving for continuous improvement.

TQM programs are not a cure-all for improving productivity and responding to customer needs. In many cases, managers view quality as a quick fix and become disillusioned when results do not come easily.

Recently, many organizations (in and out of healthcare) have adopted Six Sigma, a systematic approach to quality that requires major changes in philosophy and HR programs. Six Sigma is a statistical method of translating a customer’s needs into separate tasks and defining the best way to perform each task in concert with others. By examining the best process, Six Sigma can have a powerful effect on the quality of products, the enhancement of customer service, and the development of employees. Unlike other quality tools, Six Sigma allows process mistakes and medical errors to be caught before they happen (Pande, Newman, and Cavanagh 2000). This system has also helped HR departments shift their focus from administrative activities to strategic planning (Gubman 2004).

Security and Privacy
Concerns about the security and privacy of medical records, brought about in large part by the Health Insurance Portability and Accountability Act of 1996 (HIPAA), will shift focus, as patient records become accessible and shareable through electronic means such as websites, smartphones, personal digital assistants, and e-mail. Information technology specialists who understand the technological, legal, and ethical imperatives involved in healthcare information privacy will be highly sought after.

Maintenance and storage of personnel files also pose privacy and security issues. Employee files contain critical personal information, including performance appraisals, salary history, and disciplinary actions. Easily accessible medical and personnel records, identity theft, and other technology-driven security threats will plague healthcare managers and necessitate new policies and standards.

HR managers and supervisors generally recognize the importance of discretion in handling all types of employee information. HIPAA and its privacy rule protect the use and disclosure of medical information, and the Electronic Communications Privacy Act of 1986 (ECPA) protects private electronic communications, although the ECPA offers limited protection for e-mail use (a discussion of which is beyond the scope of this chapter).

Employer challenges to privacy rights in the workplace have sparked a heated debate over the extent to which fundamental rights previously thought untouchable may be lessened through an employment relationship. Employers defend their intrusion into

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employee privacy by noting their legitimate interest in some of the personal affairs of employees, particularly those that may directly affect productivity, workplace safety, and motivation or morale (Chieh and Kleiner 2003), such as drug use, criminal activity, and coworker dating. Court decisions generally attempt to balance an employee’s legitimate expectation of privacy against the employer’s need to supervise and control the efficient operation of the organization.

**New Healthcare Professionals**

Advances in technology and changes in the way disease is treated and managed will bring about the possible reeducation and retraining of existing professionals and the advent of new healthcare professions. While it is difficult to predict what these new professions might be, many will be related to the use of new medical and information-processing technology. As such entities as accountable care organizations and medical homes take hold, there will be expanded roles for professionals who are competent in managing health systems along the full continuum of care. New employees, as always, will need to be trained, and their competencies assessed. Managers will have to determine new professionals’ roles and places within the organization. Existing professions will evolve in predictable and in unforeseen ways. All health professions will continue to experience rapid changes in technology and more effective and efficient ways of collecting, analyzing, communicating, and using information.

**Information Technology and Decision Support Systems**

Information technology has increasingly touched all aspects of healthcare. The era of the manual, paper medical record is ending; we are moving toward the age of paperless systems. Use of decision support systems will be more prevalent, helping clinicians and teams effectively use new diagnostic, surgical, clinical, and medical devices and pharmaceuticals. Information technology literacy will be a core competency among healthcare personnel, enabling them to match the technological savvy of healthcare consumers.

**Globalization**

The emergence in the United States of illnesses and health-related concerns that originated in other countries (e.g., HIV/AIDS, SARS, foot-and-mouth disease, mad cow disease) and the ongoing threat of biological and chemical terrorism signal the effects of globalization on healthcare. Globalization will lead to the disintegration of the fine line between traditional medicine and public health, requiring the healthcare workforce of all hospitals and healthcare systems to be trained in areas such as disaster management and community surveillance. Public health workers, physicians, and other caregivers will need to work together to respond...
to new strains of diseases and develop new methods of treatment. These groups will require training in and adaptation to these imperatives.

Some US consumers are going abroad, and some foreign citizens are coming to the United States, to combine health services with a vacation. This medical tourism is driven by the high costs of healthcare and the limited availability of certain products and services abroad. To respond to medical tourism, some US healthcare organizations are partnering with foreign healthcare institutions through a process of mutual patient referrals. Mutual patient referral initiatives are expected to be widely adopted in the future, and these initiatives will need to be staffed. The HR department will play a role in staffing and evaluating such initiatives.

Demographic Changes

The aging of the population is a predictable change that will affect society overall and healthcare in particular. Between 2011 and 2019, the number of US residents older than 65 will grow from 40 million to 50 million. By 2020, the number of octogenarians will reach 7 million (US Census Bureau 2004).

Such rapid increases in the number of senior citizens have profound implications on the types and volume of services demanded and on the skills healthcare professionals need. Employers are concerned that older workers’ retirement will mean the loss of those employees’ expertise, a loss that will be difficult to replace. Consequently, employers are making a real effort to attract and retain older workers, particularly those who have taken early retirement, and many workers are responding positively to such initiatives. The cost of providing healthcare for older workers is higher than providing healthcare for younger employees, but such costs are more than offset by the minimized turnover, training, transitions, and recruitment (Hall 2005).

By 2050, the ratio of the nonwhite to white population in the United States will be 1 to 3. The growth in diversity will demand cultural competency and sensitivity from the healthcare workforce. Healthcare organizations may meet this demand through retraining their staff on diversity issues, recruiting employees from underrepresented or minority groups, and incorporating cultural competence education into the staff orientation and training curriculum.

Prevention and Disease Management

The aging of the population will mean more emphasis on geriatrics and its various subfields such as chronic disease management and home health care. The concept of disease prevention, although not new, continues to gain momentum as healthcare consumers take charge of their bodies and learn about alternative medicine. With new organizational forms such as the medical home, prevention is taking on added
importance. Healthcare organizations are heeding these cues by providing additional preventive services and boosting their current disease management programs. New professions will likely emerge to meet this trend, and healthcare organizations will need to train current caregivers and recruit employees who are skilled and knowledgeable in disease management and prevention.

**Patient Safety**

Advanced knowledge about medical errors and their causes will likely lead to changes in healthcare processes and information technology. Such changes affect HR practices, because staff will need to be trained on new technology and processes for communicating outcomes to patients and their families, reporting incidences of errors to management, managing conflicts, and electronically sharing health information.

Healthcare organizations have to create a culture in which staff are not penalized for reporting errors or ostracized for making mistakes. Such a culture encourages improvement in staff performance and morale, which leads to fewer medical errors and higher quality. Performance evaluation criteria should also include a patient safety component.