

Financial implications of staff morale problems

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Financial Implications of Staff Morale Problems The health care sector has been facing a lot of pressures in meeting consumer demands. These pressures may be in the form of the following: increasing competition, staffing shortages, employee and patient safety concern, and the significant increase in the demand for health care services. All of these challenges directly affect the financial position of the particular health care institution, thus also affecting the situation of the health care workers.

The financial position of the company gives a domino effect from the executives to the employees and the health care client. Every health care organization aims to provide good quality health care services at par or above par among its competitors. Fink reported that surmounting the various challenges the health care institution compels its leaders to find creative strategies to maintain a high morale among its employees. According to Beyea (2004), “ In certain clinical situations, legitimate reasons exist for staff members to be unhappy and experience low morale. Nurses and other staff members may be required to work overtime, work in understaffed departments, have excessive on-call requirements, or lack adequate supplies and equipment to provide care. Managers may be unresponsive to workers concerns or fail to address them in a timely manner. Under these conditions, nurses may perceive the work environment as unsupportive, hostile, or unhealthy.”

In a report made by the Center for State and Local Government Excellence, most health care organizations have decided to reduce its employee number since the economic downturn. According to the survey that they have recently conducted, the top workforce issues faced in the local and state

governments are “ retaining staff needed for core services, reducing employee health care costs, and addressing employee morale and workload problems.” It was also reported that there were 62% pay freezes, 54% hiring freezes, and 41% layoffs. The CEO of Center for State and Local Government Excellence, Elizabeth Kellar, mentioned that “ As they face hiring freezes, morale issues, layoffs, and accelerating retirements, more than 70 per cent of state and local governments say staff development is a priority issue.” The American College of Health Executives reported that the effects of staff shortages due to layoffs are felt acutely by hospitals and other health care institutions. Now, the health care industry is facing a new dilemma, they must fulfil their responsibility to provide high quality yet affordable patient care and of course addressing low morale problems among its employees. The American College of Health Executives took a stand that “ healthcare executives have an ethical responsibility to address any shortages that exist within their organizations in such a way that patient care is not compromised, existing staff are not unduly burdened and financial costs do not become excessive.”

Aside from the health care executive’s responsibility to address the issues abovementioned, the staff member should also have to keep in mind that a bad day or any morale issue should not affect the his attitude towards patients and the patient’s family members or co-workers. The health care consumers deserve to receive good quality care from competent, caring clinicians.

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