

Impact of the economic crisis on human resources development in Greek health system

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Abstract. *Once with the recession manifesting and the society development slowing, in the European economy has taken place a series of major and irreversible economic and social changes. The influence of these changes has been reflected upon all the activity fields, more or less.*

Evidently, the major influence was and still is the one of the expenses reduction, expenses that are implying financial, human and material resources necessary for the current activities development.

The reduction of the expenses, especially the one with human resources, leads to the future approach from the development perspective of this resource, fact that has to consider the obtaining of the same effects (results) but with more reduced efforts (costs).

The main challenge is the one of reducing the efforts specific to the human resources (formation, permanent instruction, motivation and development) in a substantial degree, but to avoid the manifestation of the quality reduction of the human resources and of their labor results.

Keywords: human resources management; health system; health care system in Greece; features of the health system; the economic crisis.

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1. Introduction

One of the most important resources, maybe the most important, in the Greek health system is human resources. This resource, unlike the other resources is sensitive to environmental factors: geographic, social, political and especially economic.

In this context special attention should be given to the influence of economic factors on human dimension in two aspects: objective and subjective. Thus from 2008 onwards, with the advent of the crisis, human resources in all fields were affected.

Most significant impact of crisis was remarked on the public sector, where a large number of people were dismissed, and some of the additional bonuses were stopped.

As part of public sector health system doesn't escaped from the impact of the crisis, significant adjustments were made on the expenditure of any kind. In this context also affected human resource as shown in Figure 1.

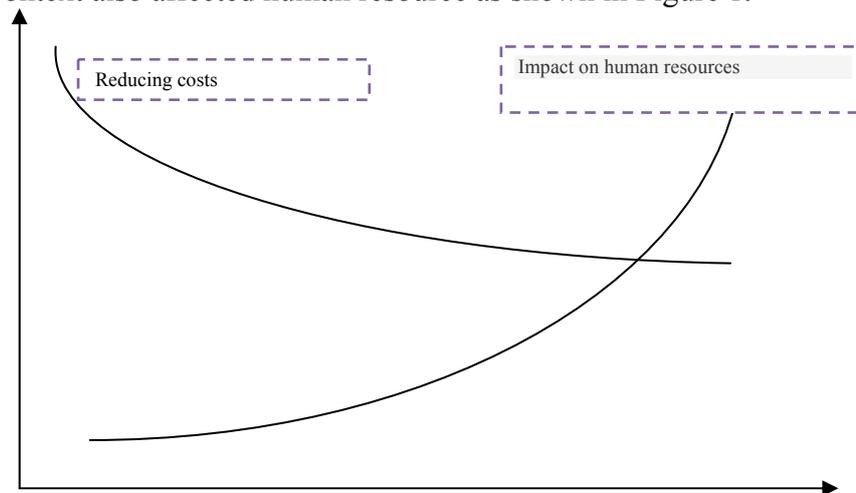


Figure 1. *Impact of reducing expenditures on human resources*

As can be seen from Figure 1, as the level of spending in the health system in Greece reduced, the negative impact on human resources is amplified exponentially. This can be explained primarily by expenditures components that have been reduced as follows:

- Direct reduction – reduction of wages and bonuses granted to staff according to the results obtained in work. The reduction of these benefits directly and indirectly affects human resources. Direct influence is the reduction in its power to satisfy a desired level.

Indirect influence is determined by the fact that hopes and individual optimism is diluted, it clearly notes that both today's and future expectations are unachievable.

- Indirect reduction – the reduction of other types of expenditure which affects the quality of hospital activities. Reduction of expenses, for example of consumables, requires more attention on the use of these resources in hospital practice. This entails, that the attention of the human resources is concentrated on these details and of course decreases mainly the medical attention and provokes medical errors. Here we give the example of the significant increase of the documents that must be completed by human resources in the health system, documents take the form of various reports which entails the reduction of the effective professional work. In this context, of the manifestation of the crisis, we can say that human resources in the health system in Greece are subjected to additional efforts for the professional and personal satisfaction.

Expenses in the health sector have been reduced in recent years in Greece, compared to European average. One explanation is related to the consideration of the health sector as one unproductive and therefore has a low priority in budget allocations. In addition the small number of medical personnel, especially of doctors led to lower costs in this sector through two mechanisms. First, personnel costs are the main costs in any health system – and the small number of health professionals in Greece has made the total budget to be reduced – and secondly, consumption and consequently medical expenses are influenced/determined by medical staff, especially by doctors. A small number of medical staff leads to a reduction in medical consumption and simultaneously to a low share of health budget to GDP. Since 2011 the situation worsened, even if the number of health professionals has increased in absolute numbers, it remains well below the EU average related to the population.

Given the long period of reduced funding and at the same time, demographic trends – an aging population – and the morbidity and mortality – one of the most precarious state of health in Europe – a reasonable expectation would be health expenditure per capita to be high at least for a time average, and this should be reflected in the multi-annual budgetary projections.

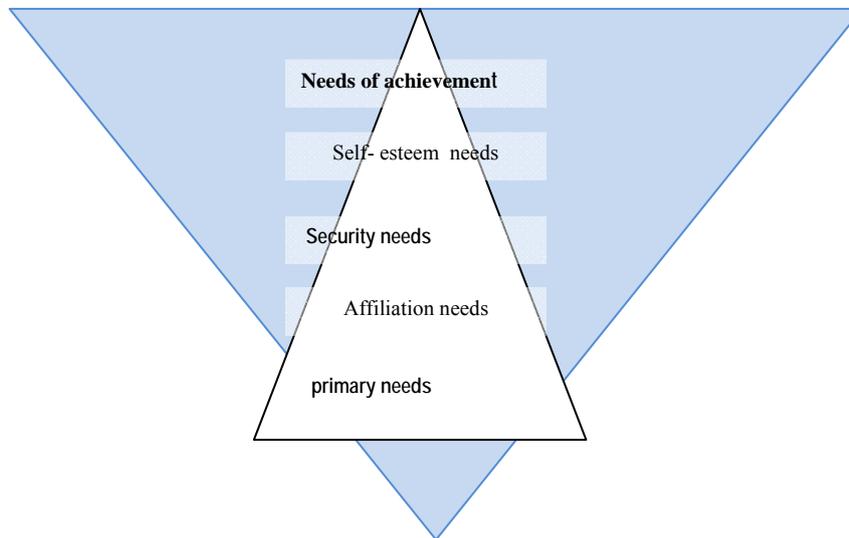


Figure 2. *The growth rate of the effort, in conditions of crisis, for the satisfaction of needs (Maslow's Pyramid)*

As shown in Figure 2, as the the professional and individual needs increase, the individual has to make efforts increasingly higher. During the economic crisis these efforts, that are necessary to meet the needs, are becoming greater.

For example, as the Greek economy is contracting and the costs must be diminished considerably, it is obvious that the health system will be affected. It is considered that in the near future we will have a reduction of human resources in public sector.

Under these conditions, human resources are forced to make additional efforts, for example to work harder just to prove that they are more necessary or more useful than their peers. This is not good for the system because a focus on the workload, on the hours worked, reduces the quality and the associated elements. It comes in a short time a quality deficit, which entails additional costs and higher negative impact on system performance.

Moreover human resources management in the health sector is weak in time of crisis, given that, compared to European countries, insurance population in Greece, by doctors and medical nurses, is below the European averages. Besides the irregular territorial distribution of medical personnel, it is also noted the shortage of specialist, especially in sectors such as preventive, medical, social, public health and health care management, inadequate staff concentration in urban areas and medical staff in urban hospitals. Other problems are related to the elimination of incentives for medical careers and the

lack of support for young doctors and nurses. It is also observed small organization process and postgraduate training of doctors, low wages and lack of connection between performance and income. Crisis also generates a disfunction in the process of planning and training of medical staff, aspects that are controlled by institutions without a coordinated policy.

Conclusions

In these circumstances it is advisable to adjust with extreme caution the health expenditures, especially those related to human resources. This is because this area is designed to maintain the society at a high level of health. Doctors and nurses are the representatives of the system and have the role to "fix" and to "maintain in good working" standards the health system. It is necessary to keep a lower rhythm of reduction of expenditures in this sector to keep a level still "optimistic" in this area higher than in other areas.

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