

Impact of Incentives on Physicians' Performance at Pediatric Hospital in Benghazi

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Abstract :

Background: incentives are an essential factor that affecting health workers performance to work hard and efficiently. The study aimed to identify the types of incentives (financial and moral) and to investigate the impact of incentives on physician performance.

Materials and methods: a descriptive cross-sectional was conducted to achieve study objectives. 180 physicians working in pediatric hospital was included in the study. The data was collected using questionnaire. A five point Likert scale was used to measure each item relating to incentive and performance. To analyze the data, SPSS is used.

Results: the study sample was oriented to dissatisfy with financial incentives, where they were neutral with moral incentives and performance. Salaries ranked the first important to encourage their performance while the stability at work ranked the second then good relationships with supervisors and colleagues. The study also recognized that, there was a positive association between incentives and performance and a significant relation was determined between (financial and moral) incentives and personal variables also, between performance and gender while the other variables were no significant difference.

Conclusion: A combination of financial and moral incentives was required to support performance among health workers. The study recommended that hospital management should improve incentives, provide training programs, promotion, allowance and participation physicians in hospital plans.

Keywords: financial incentives, Libya, moral incentives, performance and physicians.

Date of Submission: 15-07-2017

Date of acceptance: 25-08-2017

I. Introduction

Health professionals consider as the key of health sector resources and a successful organization make an effort to utilize their skills and qualification through efficient manner as patients' needs and wants. (1, 2) However, skills alone are not enough to work with high productivity therefore; one of the several methods used to increase the motivation of employees is the incentive schemes. (3) The incentive system plays a crucial role to promote continuity of care and hardworking in order to improve performance. (2)

Incentives have been variously defined; according to oxford dictionary, incentive is defined as a thing that motivates or encourages someone to do something, where the World Health Organization considered incentives as "all the rewards and punishments that provides face as a consequence of the organizations in which they work, the institutions under which they operate and the specific interventions they provide". (4, 5) Therefore, incentive system can encourage or discourage employees and work group behavior. Furthermore, most countries have mixed systems of physician payment to encourage performance of individuals regardless of incentive forms as one type is not sufficient to meet the individual and organization needs. (6, 7)

Generally, incentive can be classified into different categories according to the type or the purpose of incentive. (2) Firstly, incentives divided into two aspects based on the types. Financial incentives are also called concrete incentives mean the amounts paid to employees, (6) either in direct form for instance salary, pension, insurance and bonuses ...etc or indirect form such as subsidized meals, clothes and housing. (5, 8) While the non financial or moral incentives could be in the form of participating in decision making, the stability of work, commitment, promotion work, autonomy and appreciating the employees performance. (2) Secondly, incentive based on the purpose include positive incentives refer to the ways that affect behavior of people through satisfying their needs, whereas negative incentives are affecting behavior by depriving employee, some of their privileges. (2) Financial and non financial incentives adopted by the organization to award the employees with a high performance level and to encourage the ones with lower performance level for higher performance. (3)

There were many studies in the literature, which examine the financial and non- financial incentives and their effects on several variables. For example, two studies were conducted in Jordanian, one in tourism institutions (2014) and another at universities (2012) attempted to identify the relationship between incentives

and performance. The studies revealed that an adequate level of incentives provided to employees and financial incentives particularly rewards ranked in the first place of impact on performance where the moral incentives ranked in the second place. Also, there were significant impacts on employee performance in tourism institutions in terms of moral, rewards incentives and promotions. (2, 6) Furthermore, another study in Nigerian universities (Lucas & et al. 2016) showed adequate level of incentives and high level of organizational performance. Financial incentives were in the first while the moral ranked the second and there was a negative relationship between financial, moral incentives and organizational performance. (9) A further study in Nigeria electricity companies by Achie and Kurah (2016) found that employees were dissatisfied with financial incentives, relationship with colleague/ management and condition of services. (10) Another recent study (2107) in nursing working in private hospitals in Jordan concluded that there was a statistically significant effect of the material and non-material motivations on job performance. (11)

The study aimed to recognize the types of incentives available to physicians and to measure the preferable incentives and also to investigate the impact of financial and moral incentives on physicians' performance at Pediatric hospital in Benghazi.

II. Materials and methods

A descriptive cross sectional study was conducted. In order to achieve the study objectives, a questionnaire was designed to collect data from the target group that includes physicians in pediatric hospital affiliated to ministry of health in Benghazi. A sample of the study included 180 of a total of 300 physicians who working in this hospital. The study questionnaire divided into 3 domains: the first part included 7 questions relating to the socio-demographic data of respondents. In the second part, questions on the types of incentives, while the third part was relating whether incentives affect physician performance. All items used to measure incentives and performances from the physicians' view were captured on a five point Likert scale. The scale used ranged from 1= very strongly disagree to 5 = very strongly agree. The questionnaire used in this study was an adapted version of the questionnaire developed from review the literature (12). Each questionnaire was accompanied by a letter explaining the purpose of the study, the voluntary of participation and the confidentiality of the data. To test questionnaire clarity, pilot study was conducted on 10 physicians in another public hospital. The questionnaire was tested for validity and reliability that 0.93 and 0.862 respectively. Soft ware package for social sciences (SPSS) was used to analyze the data by repetitions, percentages, independent T- test, one way analysis of variance (ANOVA) and Pearson correlation coefficient. A *P* value was considered as statistically significant at level 0.05 or less.

III. Results

1.1. First: demographic variables

In this study, the respondents were 180 physicians of whom 81% were female and 19% were male. The majority of the respondents were young or middle aged people, 115 physicians (63.8%) were between 25- 34 years of age then 31 of them (17%) for the age group 35 to 44 years of age. 35% were married and 44% were single. More than half of respondents (57%) had no children while 26% of them had (1- 2 child) and 11% had (3- 4 child) then 6% had more than 5 children. As regard job position of physician, data show the majority of respondents were junior doctors by 67% compared with only 6% were specialist, while consultants and senior doctors were (15%, 11%) respectively. 65% of the respondents had a monthly salary ranging between 500 to 1000 dinars where 15% of them had greater than 2000 dinars. Work experience ranged from less than 5 years to over 20 years. Most respondents had work experience less than 10 years. 42% (n= 77) had experience less than 5 years then 32% (n= 58) had experience between 5 to 10 years.

1.2. Second: incentives

Financial: By looking at the descriptive analysis of data was gathered from physicians. It was clearly that the majority of participants in total were dissatisfied toward financial incentives with mean 2.2840 except in one statement, participants were neutral with (salary was the most important thing that they acquire from their job) with mean 3. While regarding to rewards, the respondents were highly dissatisfied with the availability of bonuses at hospital to encourage their efforts and also these bonuses were not distribute to those who deserve them with mean 1.78 and 1.71 respectively. Furthermore, exactly three quarters of respondents stated that the chances of promotion in their job were not available with mean 1.93 and over two thirds of the study respondents mentioned that salary were not commensurate with their work efforts and their qualification (mean 2.33, 2.35) respectively. Where over half of the respondents pointed out that the salary and social allowance were not sufficient to satisfy their needs and their families' needs with mean 2.53 and 2.38 respectively.

Moral: The respondents of this study in total had neutral attitude toward the moral incentives with mean 2.9182 particularly in terms of participation in decision making, recognition of work, sufficient authority at work and oral praise when perform work efficiently with mean (2.90, 3.31, 3.04, 2.64) respectively. Where

the majority of respondents were very dissatisfied with lack of the annual ceremony in honor of creative employees and instability at work and lack opportunity in participated in future plans at hospital with mean (1.68, 2.41, and 2.07). In addition, physicians were dissatisfied with training courses and education with mean 2.22. In contrary, physicians had a good relationship with colleagues at hospital with mean 4.07 and felt the importance of their work in caring patients with mean 4.01 also, appreciation and respect from supervisors considered as one of the most important thing that drive them to work with mean 3.76.

1.3. Performance:

The result related to the performance indicated that the general level of performance at hospital was neutral with mean 2.980 particularly in term of obtaining the annual bonuses regardless of their performance with mean 3.14. Whereas respondents were dissatisfied with the incentive system approach at hospital that can improve the physicians' performance and evaluation of performance in terms of the hospital administration applied the policies of rewards and punishments and also penalties were applied to employees who were inadequately employed with mean 1.84, 2.13 and 2.21 respectively. In addition, the hospital wage did not encourage the employees to work hardly to achieve the hospital goals with mean 2.51. On the contrary, physicians were satisfied with their performance level and also their supervisors were satisfied with their performance with mean 3.81 and 3.71 respectively. Furthermore, physicians attempted to acquire new skills and continue performance improvement at work with mean 3.74 for both. Salaries ranked the first important to encourage their performance then the stability at work ranked the second then good relationships with supervisors and colleagues. The Pearson correlation coefficient was used to determine the association between the incentive types (financial and moral) and the level of physician performance at Pediatric hospital. The positive and significant relation was found between two types of incentives (financial and moral) and physician performance level ($r= 0.532, 0.603$) respectively at the level of significance 0.01

The results showed that there was a statistically significant difference related to financial and moral incentives based on gender, social status, position and salary. Whereas, there was not statistically significant difference between performance and (social status, position and salary), except between performance and gender was significant difference.

IV. Discussion

This study was conducted to investigate the impact of incentives on physicians' performance at pediatric hospital in Benghazi. There were several studies covered the same topic. However, these previous studies were not applied at pediatric hospital particularly in Arabic countries. In the present study it was found that, the financial incentive ranked in the first to encourage performance while moral incentives ranked the second. This finding was consistent with (Obeidat and Al-Dwair, 2015) and (Al-Nsour, 2012) in Jordan (13, 6). Also, there was some evidence concluded that, financial incentives in the form of money or awards increase performance an average 22% (14). (Robbine et al.2003) in (Harunavanwe and Kanengoni 2013) stated that money is one of the crucial incentives to motivate the work (15). Furthermore, another study in Nigeria indicated that steady and regular payment of salary played a vital role in enhance employee performance and commitment as employees can purchase the need satisfying things they desire. (1)

Although, many previous studies confirmed that incentives affect on performance, (Bonner and et al. 2000) in their study pointed out the real impact of incentives especially financial did not necessary lead to increase performance (16). As mentioned, incentive schemes in health care was almost universal in acknowledging that financial incentive alone are not sufficient to retain and motivate staff. (17) Therefore, moral incentives considered value to all employees in organization not only health professionals as recognition given to workers, acknowledging contribution, advancement opportunities and commitment often counterbalance financial incentives to assist employees to face the challenges in their daily lives. (17)

A study in Pakistan illustrated that, financial rewards (bonuses, salaries, increment, paid holidays) are traditionally accepted in international scenario and have importance in business. Now-a-days developing countries are recognizing the importance of non financial rewards. If employees are well recognized for their efforts, then they feel satisfied and they become willing to put more effort. There are a number of ways to appreciate and reward the employees for their efforts without spending money. (18) Based on the result and discussion presented above, there was inadequate level of incentives provided to physicians at Pediatric hospital; these study was in contrary with the study in Nigerian universities by (Lucas & et al. 2016) which showed adequate level of incentives and high level of organizational performance. (9)

There were significant effect of two types of incentives (financial and moral) on physician performance; this finding was consistent with study in nursing in private hospitals and another in tourism institutions in Jordan. (11, 2)

V. Conclusion

The study viewed the impact of incentives on physicians' performance and concluded that there was a close link between the incentives provided at pediatric hospital and the performance of physicians. Pay is important to afford the provision of the basic necessities of life. However, financial incentives alone are not sufficient to motivate employees; therefore, a balance between financial and non-financial incentives should be used to satisfy the diverse needs and to support performance among health workers. This study is subject to a limitation and might be explored in future research. One hospital was selected and results could vary from one hospital to another that depends on the incentive approach adopted by these hospitals. In addition, further investigation on impact of incentive should be explored from the perspective of other health professionals groups in different hospitals.

VI. Recommendation

The study recommended that:

1. Hospital management should plan and balance in financial and non-financial incentives for their employees, none of those incentives importance could be neglected.
2. Hospital management should provide an equal chance of promotion in a fair way.
3. The consideration should be focus on training programs for physicians and exceptional allowance should be given for the efficient employees that they can feel valuable themselves.
4. Hospital management should increase the participation of physicians in formulation of plans and decisions.

Acknowledgements

We are grateful for the kind cooperation of all physicians working at pediatric hospital. Furthermore, we thank Raja Ali, Rania Abdalati, Houdia Jabril and Heba Khalifa for assisting to collect the data.

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Ainas Eltarhuni. "Impact of Incentives on Physicians' Performance at Pediatric Hospital in Benghazi." *IOSR Journal of Nursing and Health Science (IOSR-JNHS)* , vol. 6, no. 4, 2017, pp. 32–35.