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The Impact of Reward System and Motivation on Doctors Performance in Private Health Sector United Arab Emirates. An Empirical Study

Fayez Hamed Al Shdaifat

Al- Ain University of Science and Technology, UAE, E-mail: fayez.alshdaiyat@aan.ac.ae

Abstract: Numerous studies have discovered the impact of employee reward and motivation systems on employee performance and organization success. The objective of the research was to study the impact of reward and motivation systems on Doctors performance among the private health sector in United Arab Emirates UAE. Analysing the theory in the rewards in private health sector and how that effect their motivation and achieve organization goals. Most private health organizations today would like to have their doctor's motivated and ready to work, but do not understand what truly motivates a person. Health organizations could be more efficient their physicians have an interest in the future of the organizations they are working in. There are essential needs to be met for a doctors, to succeed in the workplace, the private health care industry consists of different types of doctor's compensation such as pay.

This current research is a quantitative research tries to identify the impact of motivation on performance of 82 doctors operating in healthcare organization in the city of Dubai Dhabi UAE.. A questionnaire have been used to gather the necessary information. Results revealed many important points, and the researcher has proposed some important recommendations which, if implemented will improve the performance of doctors and their organizations.

Key word: Rewards, Motivation, Performance, Doctors, Private Health Sector

1. INTRODUCTION

The concept of job performance is acknowledged in the national environment but its development in the international arena is still uncertain. Its significance encompasses both individuals and organizations (Al Shdaifat; 2014), Doctors ' performance is largely determined by the composition systems and types of incentives used the organization. Finding out what and how such composition systems are working and which aspects could be improved will certainly increase doctor's performance. Several factors that can

affect doctors performance like working conditions, training and development organization culture, organization policies and rewarding staff. Hafiza *et al.* (2016).

On other hand, motivation is one of the most important parts in private health sector success. Rewards and incentives system are considered as forerunners of staff motivation (Caruth and Handlogten, 2002). Motivation of employees in the work place still remains one of the sensitive subjects that determine the level of input that employees will put in the organization to commit to good performance. This means that motivation either intrinsic or extrinsic contribute to employee satisfaction and thus enhances performance and productivity (Bhattacharyya, 2007).

Motivation is defined as the process that accounts for an individual's intensity, direction and Persistence of effort toward attaining a goal (Page, 2008). Motivation, in the context of work, is a psychological process that results from the interaction between an employee and the work environment and it is characterized by a certain level of willingness. The employees are willing to increase their work effort in order to obtain a specific need or desire that they hold (Beardwell & Claydon, 2007, p.491).

In Addition, the spread of the hospitals in Abu Dhabi owns thirty nine hospitals (fourteen government and twenty five private with total capacity of 4,226 beds, or 2.7 beds for every 1500 of the Population, servicing nearly 2.5 million people (The U.A.E. Healthcare Sector, 2014).

2. LITERATURE REVIEW

Job performance refers to behaviors that can contribute to organizational goal accomplishment (Al Shdaifat, 2014). Job performance constitutes behaviors and actions that are relevant to an organization's goals. Parker and McEvoy (1993) developed the Expatriate Effectiveness model that distinguishes between individual, organizational and contextual antecedents that may influence the international assignment adjustment and the outcome of job performance. The performance theory of Campbell *et al.* (1993) focuses on knowledge, skills and ability to predict job performance.

Moreover, the concept of motivation has both psychological and managerial meaning. The psychological meaning of motivation refers to the internal mental situation of a person that relates to the initiation, persistence, and termination of behavior. The managerial meaning of motivation on the other hand deals with the activity of leaders and managers to induce others in order to produce results desired which conforms to a relationship between motivation and performance (Tosi, Mero and Rizzo, 2000).

Motivation, in the context of work, is a psychological process that results from the interaction between an employee (doctor's) and the work environment and it is characterized by a certain level of willingness. The employees (doctors) are willing to increase their work effort in order to obtain a specific need or desire that they hold (Beardwell & Claydon, 2007, p.491).

Since there is a wide variety of methods available for motivating doctor's, from recognizing the employee's achievements by simply saying "thanks" to more complex schemes which combine and set targets with fixed pay incentives and rewards (Torrington, Hall & Taylor, 2008).

Robbins and Judge (2016) found Variable-pay programs and incentives increase motivation and productivity. Studies generally support the idea that organizations with profit-sharing plans have higher

levels of profitability than those without them. Profit-sharing plans have also been linked to higher levels of employee affective commitment. Similarly, gain sharing has been found to improve productivity in a majority of cases and often has a positive impact on employee attitudes and motivation (Robbins & Judge, 2016).

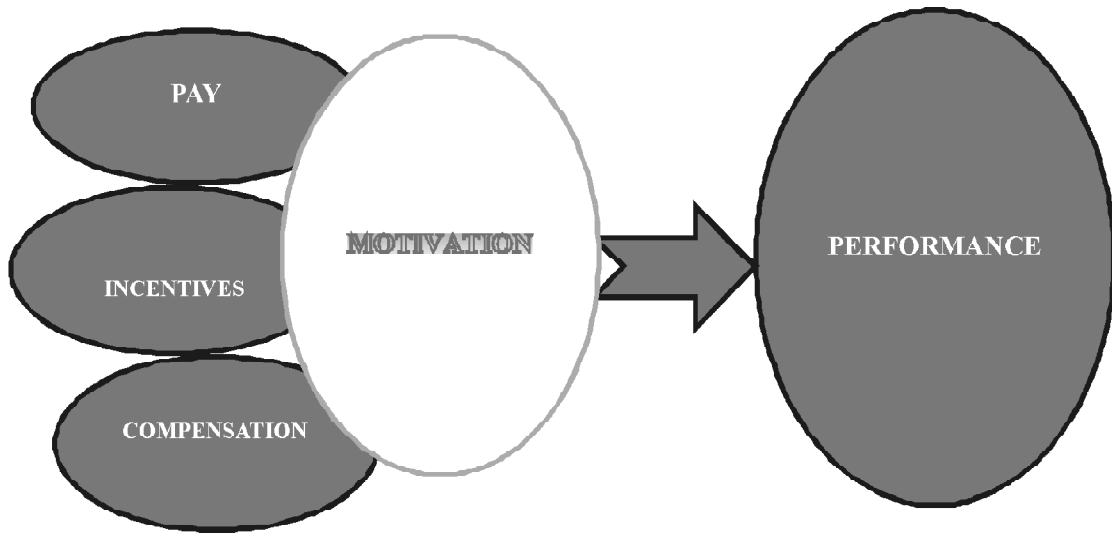
Compensation contains elements, such as a base salary and annual bonus used to motivate employees towards better performance (Chih-Ying, 2003). Bratton and Gold (2007) defined reward as all monetary, non-monetary and psychological payments that an organization provides for its employees in exchange for the work they perform. Armstrong and Murl (2007) stated that reward strategies are an important part of an organization's human resource strategy and should be bundled with other human resource strategies so that they complement and reinforce one another. Additionally, proper incentives can influence (doctor's) employees to contribute to the growth of an organization (Dessler, 2010).

Motivating employees through rewards can positively affect the behavior of employees toward their jobs (Ali & Ahmed, 2009). In this regard, Qureshi Shams and Kashif (2009) concluded that the intrinsic and extrinsic rewards are highly correlated to the performance of employees. Moreover, employees (doctor's) feel satisfied and perform better if they feel they are receiving what they deserve (Plessis, 2010). Masood (2010) found a significant relationship between rewards and performance. Ndungu (2017) revealed that compensation and rewards have a positive effect on performance. Shahzad et al. (2008) posited that there are significantly positive relationships of human resource management practices, i.e., compensation and employee performance. Katou (2008) identified significant positive correlation between human resource management practices, namely compensation and organizational performance. Additionally, creating the right climate involves developing reward systems to reinforce satisfaction, commitment and performance (Zacarro & Banks, 2004).

A study by Rizwan *et al.* (2013) in Pakistan found a positive and significant relationship between compensation and employee performance. Dowling, Welch and Schuler (1999) stated that compensation and benefit packages are provided to convince expatriates to accept a foreign assignment, to be prepared to accept a standard of living overseas and to take advantage of the financial opportunity through higher income (Andreason, 2003). Compensation packages are often critical factors in motivating expatriates not only to accept international assignments but also to perform jobs in a difficult location (McNulty & Tharenou, 2004). Ndungu (2017) found that motivation, through a good reward system, results in increased employee productivity and performance. Using management systems and incentives to enhance performance of employees creates a positive work environment, where individuals feel equitably rewarded for their efforts (Wright, Gardner, Moynihan & Allen, 2005). In contrast, Abdullah *et al.* (2009) examined the effect of human resource management practices on the performance of 153 managers in private companies in Malaysia. The result revealed that compensation/incentives have a negative influence on business performance.

Additionally, motivation is an important factor for employees and their families; thus, personnel should be given adequate salaries, compensation and rewards (Batt, 2002). The Health sector provides good salaries (Kulik, 2004), compensations and rewards (Milkovich & Newmen, 1999). Considering that majority of the workforce is from other countries, higher salary is a good motivator for motivation and performance among doctors in UAE private health sector.

2.1. Theoretical framework



Theoretical framework by researcher 2018

2.2. Expectancy Theory

According to the researchers in different organizations the commonly used and widely accepted theory of motivation is Victor Vroom’s (1964) Expectancy Theory. This theory argues that the strength of a tendency to act in a certain way is dependent on the strength of the expectation that they will receive a given outcome and that the outcome is desired. Doctors are willing to work harder to achieve organizational goals and vision, if they believe that their actions will get them an outcome they desire. For example, doctors are willing to work long and hard hours if they know that they will be rewarded through incentives or pay in response to their hard work (Robbins & Judge, 2016). Researcher found that expectancy theory is more valid where (doctors) individuals clearly perceive effort– performance and performance–reward linkages (Robbins & Judge, 2016). On other way if private health sector organizations actually pay and rewarded doctors for performance and effort rather than seniority and job difficulty, this lead to the theory tends to be idealistic and much more valid among private health sector in UAE.



Adapted from Zabouj and Antonionades work (2015)

3. METHODOLOGY

3.1. Participants

The respondents were 82 doctors selected from private hospitals and medical centers located in Abu Dhabi (United Arab Emirates). The population of the study was selected from UAE private hospital using

convenience sampling design was adopted as the respondents were selected by researcher on the base of ease of access in Abu Dhabi state. The data were collected by a questionnaire which was developed and tested by a team of experts. The questionnaire contains two parts; one covering socio-demographic questions and the second part contained questions related to composition system and covered such variables as payments, rewards, compensation and doctor's motivation. All items were answered using five point Likert scale ranging from 'strongly disagree' to 'strongly agree'. It seems that using the 5-point Likert scale involves advantage its capability to present the measurements accurately and appropriately better than the small scales (Hair, Black, Babin, & Anderson, 2010).

The sample consisted of 50 males (61%) and 32 females (39%). On the age group, the majority of them were in the age group of 30 to 50 years old (80 %), and 51 to 65 years old (20%). On the level of education, statistics showed that all the respondents were university graduates with a minimum of bachelor's degree. On the length of employment, found that the majority of respondents (65%) had been working for over 3 years.

3.2. Data Analysis Procedure

After completing the data collection, the researcher used Smart PLS 2.0 as the tool of analysis. Smart PLS 2.0 (Ringle, Wende & Will, 2013) is a powerful multivariate analysis technique that includes specific versions of a number of other analysis methods as special cases. Smart PLS 2.0 is a promising method that provides researchers with various opportunities (Ringle *et al.*, 2013).

6. RESULTS

Discriminant Validity

Variable	Per	Pay	Inc/Rew	Comp
Performance	.80			
Pay	.60	.85		
Incentives	.62	.44	.74	
Compensation	.17	.34	.41	.78

Table 1
Relationship between Pay, Incentives, Rewards, compensation and Performance

	Beta (β)	T Statistics (O/STERR)	P value	Decision
Pay -> Performance	0.259712	3.55460	0.05	Supported
Incentive's ->Per	0.257922	3.52825	0.05	Supported
Comp ->Performance	-0.098848	2.052513	0.05	Supported

Findings reveal that all the relationships between the variables (pay incentives/ rewards and compensation) and the performance, have demonstrated significant relationships. Pay ($\hat{\alpha} = 0.26$; $t = 3.55$, $p < .05$) is the most important variable in determining motivation among doctors in private health sector, this implies that the greater the level pay, the greater the performance level will be.

6.1. Discussion

The study aims to identify the relationship of (pay, incentives/rewards and compensation) in determining of the performance level among doctors in private health sector in UAE.

In pursuit of this aim, the result indicated that this relationship is supported. (pay, incentives/ rewards and compensation) was significantly and positively related to performance. It was found that doctor in private health sector greater (pay, incentives/rewards and compensation) have better performance. This implies that the greater the (pay, incentives/rewards and compensation), the better the performance will be. The finding is consistent to the finding of earlier studies. Pay emerged as an important factor for motivation (Ndungu, 2017). Revealed that pay, incentives/rewards predicts motivation and performance.

In a similar direction, compensation was found to have a positive relationship with motivation. It was found that doctors in private health sector of compensation is better in their motivation and performance, and this is consistent with previous studies found a positive relationship between compensation motivation and performance. (Affandi & Raza, 2013; Hassan & Dialo, 2013; Ndungu, 2017).

7. CONCLUSION

Doctor's motivation and performance are vital factors I determining the success of health organizations. A lack of staff motivation may cause health sector organizational problems in morale, and poor performance. Private health sector in UAE recognition of the problem of staff motivation is the first step a health sector organization may choose to tackle the problem. There have been numerous studies on staff motivation and performance, but a lack of research dividing the segments in health sector organization between government and private staff. This paper was performed to examine current private health sector staff motivations to better understand the performance. This paper focused on the individual motivation, socio-demographic impacts on performance.

Doctor's motivation is one of the most important parts in private health sector success. It is hence vital for staff to understand what motivates the doctors and how to maximize their performance. Based on the results of this paper and the theory that I have discussed in this paper, I have come to the conclusion that there are major factors that effect on staff motivation in private health sector.

In order to improve the doctor's motivation of private health sector, the researcher suggested that to pay out a percentage of the profit plus increase the basic pay according to individual performance to achieve organization goals. This paper was conducted in order to help private health sector analyze reward systems and performance of their Doctors towards the organization.

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