The importance of financial incentives for healthcare workers during the COVID-19 pandemic

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Abstract

One of the basic tasks of HR managers is to provide the organization with people who can do the job efficiently and effectively. Since during the COVID-19 pandemic, the most important thing was to preserve the health of the population, the key role in bringing the pandemic under control was played by healthcare workers, which is why it was very important to find techniques to motivate them. This paper aims to assess the degree of satisfaction of healthcare workers with financial compensation during the COVID-19 pandemic, compared to compensation under normal working conditions. The results indicate that financial compensation is the dominant factor in motivating work during the pandemic, that they believe that they are not paid enough for their work, and that the minimum wage increase they deserve should be in the amount of the COVID supplement payment. As even more than half of the respondents would not accept working in a COVID hospital without financial incentive, this paper gains special importance as a warning for all decision makers.

Keywords: work motivation, financial compensation, pandemic, COVID-19

1. Introduction

It has long been known that the success of an organization does not depend on how well they can manage finances, marketing or products, but rather on how they manage their human resources (Chang, 2017. p. 2). A person should not be seen only as a work-machine, but also as a human being who has their own emotions, ambitions and needs that they try to satisfy. Roth (2006) says that by staying in an organization, individuals not only satisfy their material existential needs, but also needs for affiliation and acceptance, for putting to use their physical and psychological functions and potential, for developing their own personality and for creative activity. The basic task of modern managers would be to recognize the most expressed needs of their employees and find ways to satisfy those needs, because this is how you get motivated and satisfied workers. Employee satisfaction is the only way to ensure a stable and high-level productivity and creativity of employees in the long term (Janićijević, 2008). No organization in today's competitive world can have top performance if each of their employees is not...
committed to the organization's goals and if they do not act as an efficient team member (Radosavljevic et al. 2017, p. 19).

In the emergency situation circumstances caused by the Sars-Cov-2 virus, which are characterized by great complexity, dynamism and uncertainty, the way of managing employees (Alkiera & Peric, 2021), (in this case we mean healthcare workers) and their needs becomes more than important. Due to the enormous stress that healthcare workers were exposed to, especially in the first months of the pandemic, when very little was known about the virus, and a lot was expected of them, their exhaustion and a drop in motivation occurred. Krstic et al (2019) point out that their work is generally quite specific, that not everyone can do it and that they often do it without the presence of other motivational factors besides personal satisfaction, hence they really deserve special attention.

In healthcare institutions, they try to motivate employees in order to maintain their mental health and enthusiasm at the highest possible level. In other words, all healthcare organizations deal with what should be done to achieve goals by using people (Yaman, 2021). In this sense, close attention is focused on how individuals can best be motivated by such means as initiative, rewards, leadership, the work they perform and the organizational context within which they carry out the work (Mijikovic, 2007) and on what can provide the best results in motivating healthcare workers during any newly occurred situation. Given that the topic of motivation is broad, we will focus on how financial motivation affects the productivity of healthcare workers in hospitals in Belgrade and Loznica, which during the pandemic had the status of COVID hospitals.

This paper consists of six chapters, including the introductory chapter at the beginning and the concluding one at the end of the paper. The aim of the research is to assess the level of satisfaction of health workers in health institutions in Belgrade and Loznica during the COVID-19 pandemic with financial compensation, compared to compensation under normal working conditions. In accordance with the set goal, financial compensation for work has been assumed as the most important factor and indicator of satisfaction. Although several hypotheses can be put forward on the topic of indicators that affect the work motivation of health workers (especially when it comes to health workers), this paper has started from the assumption that there is a significant connection between work motivation and financial incentive among health workers.

2. Literature Review

Motivation is an invisible but powerful force that drives employees to satisfy a certain need and that affects their behavior in the organization (Gavic & Dragic, 2021, p. 165). In other words, workers’ actions always depend on internal motivations and external stimuli (Dragic et al., 2021 p. 41). Unsatisfied needs bring unrest, tension and stress, which is negatively correlated with successful work, so it is very important for managers to recognize the

unsatisfied needs of their employees and find an adequate response to them. In the business context, motivation is important because it is one of the primary drivers of employees leading them towards achieving individual business success, which then contributes to the success of the entire organization (Gavic et al., 2020, p.82). That is why the topic of motivation is becoming more and more relevant and present every day not only in science, but also as a challenge among modern managers, especially in extraordinary circumstances such as a pandemic. The most important role in the motivation process is played by direct managers. Their task is not only to recognize the individual needs of their employees and the needs of the organization and how to harmonize them so that everyone is satisfied, but they also influence the motivation of employees indirectly, by creating an appropriate environment for the development of motivation, which consists of: structure, climate, culture, reward system and leadership style (Petkovic, 2011). A motivated employee has a higher level of work morale, a higher degree of satisfaction and self-confidence, which are factors that directly affect the productivity and quality of the services they provide (Gavic et al., 2020). Also, a motivated worker is energetic, has no fear of new things, has a positive approach to challenges and as such can raise the morale of his colleagues and pull them towards greater achievements. In the pandemic-related conditions, when fear and uncertainty are great, the question of motivation becomes very important, because only motivated workers can successfully deal with all the challenges that extraordinary circumstances bring with them.

In practice, some form of material motivation is most often applied: promotion, status symbols, rewards, salary, health and pension insurance, life insurance and other ways of encouraging employees that improve their material position. On the other hand, the most frequently used intangible motivation strategies are: job design, management style, employee participation in decision-making, management by objectives, flexible working hours, different types of recognition, feedback on work, etc. (Vidakovic, 2012). According to Vukajlovic and Ostojic (2016, p. 315), material motivation is effective in the short term, while non-material factors (especially the increase of competences) are much more significant and lead to long-term positive effects for the individual and the organization.

The research conducted in Belgrade in 2015 (Salic et al., 2015) shows that the majority of respondents (70%) are not satisfied with the way their employers motivate them at work. Absolute satisfaction with motivation was expressed by only 5% of the respondents. The respondents pointed out that a higher salary is an important factor of motivation, but for only 10% of them, while the rest would be more satisfied if the organization allowed them to improve their skills somewhere for free, if they had the opportunity to advance, if they had fewer obligations, etc. In the research from 2018 Cukanovic Karavidic, 2018), six relevant factors of employee motivation in Serbia were identified: in the first place, interpersonal relations, in the second place, the stability of the workplace, the third factor is the management (leadership) of the organization,
the fourth factor is freedom and creativity in performance of work, the fifth factor is the possibility of training and advancement, and the sixth factor is the method of control. Aleksic Glisovic et al. (2019, p. 132) have a similar conclusion that "modern theories of motivation indicate that the motivation that employees feel about their work is less related to material rewards and more to the job design itself." As can be seen, although the respondents did not directly emphasize the salary, i.e. money as the most desirable factor of motivation, we can notice that they are still motivated by ways that would allow them to subsequently improve their material situation, such as training and advancement, job stability. Experience shows that in Serbia, money is still a more desirable way of motivating employees than in more economically developed systems, where non-material methods of motivation mostly dominate. Motivation is very challenging because the needs of employees are different and changeable and have different values for each employee (Samardzic et al., 2016, p. 691). In order to achieve success with certainty, it is recommended that each organization try to find the optimal combination of material and non-material incentives for its employees, because, as stated by Pravdic&Kucinar (2015, p.16), each company is unique and therefore must develop its own an individual way of managing intellectual capital using the existing models only as a base.

In the newly occurred situation, the primary role in bringing the pandemic under control is played by people (Ignjatovic et al., 2022, p.17). The population is expected to respect all the stated measures, while the motivation of health workers, who are on the front line, becomes a big challenge. Walton, Murray, & Christian (2020), give the following advice to healthcare leaders: "By maintaining honesty it is important to stay calm, motivate your team and help them look beyond the current crisis to the positive days ahead." The issue of motivation is very important to understand because it determines the success of an organization as it affects the amount of effort an individual will invest in a certain activity and how much they will try to improve the existing practices.

2.1. Motivation and job satisfaction

Job satisfaction is an individual's emotional reaction to the work they are doing. That positive state arises as a result of the employee's perception that the work they perform has the ability to fulfill their essential business values and enable the alignment of those values with their own needs (Hoynala, 2009; Blesic et al., 2017, Peric et al., 2019). Job satisfaction refers to the feeling the worker has after completing the job and is a consequence of their motivation. People are most successful when they do work they like and are satisfied with, or, conversely, the success of the organization cannot be achieved if employees are dissatisfied with their business environment (Pavlovic and Markovic, 2014, p. 297). For Stepanov et al. (2016 p. 59) job satisfaction is the result of the employee's perception that the job allows them to achieve those things that they consider important for them. Employees who are satisfied with their work show a greater degree of responsibility towards the work they do, as well as the working environment, and are more creative in their work. Such workers also want to spend more time at work, are more productive and self-initiatively make greater efforts to improve the current situation. More recent studies have shown a direct correlation between employee satisfaction and user satisfaction (Stoiljkovic et al., 2013). According to the same statements in the health sector, employee satisfaction is still not one of the priorities, and the reason given is the fact that the great possibility of using this aspect in management was not noticed in a timely manner. However, doctors have a higher level of job satisfaction than the average mid-level staff, but support staff, both technical and administrative, are less satisfied than the average mid-level health staff (Stoiljkovic et al., 2013). As already written, job satisfaction and motivation are related. A person enters a certain job with motivation, and job satisfaction is what comes after the job is completed as a reward for an accomplished goal. Job satisfaction is directly influenced by the size of the reward that the employee receives for the work performed and the level of performance is influenced by the achieved reward, which practically means that individuals are satisfied with their work and perform it effectively if the performance of the work leads to the achievement of the goal (Pavlovic & Markovic, 2014). Furthermore, Turner, Barling, and Zacharatos (2002) state that job satisfaction is related to mental health and life satisfaction (Mihalicek, 2011).

In practice, it is known that a higher level of job satisfaction will be achieved by employees who manage to find time for activities that are not directly related to their work. Activities like sports and art for instance can give energy and elan and influence a positive and optimistic attitude towards life and work. Also, if an employee has a job where they can use their best abilities and manage to organize their own work, they will most certainly find a way to avoid monotony at work when it appears and increase their satisfaction. Understanding the issues of motivation and job satisfaction is essential for designing the workplace, organizational culture and climate, reward system, advancement, leadership style (Tanasijevic, 2011, p. 116).

Although it is more than clear that a proper motivation system brings benefits to organizations, very often the simple needs and motives of employees are not understood and are ignored (Zivkovic et al., 2003, p. 56). The imperative of modern business, especially if we think of extraordinary circumstances, is that managers must understand the needs and behaviour of people in order to become effective leaders, those who can inspire team members and enable their development (Heller, 2009, p. 167).

3. Research methodology

The research included health workers of various profiles (specialist doctor, general practitioner, nurse-technician, medical associate) and non-medical staff (technical worker, administrative worker). Health workers employed in: Clinical Hospital Center "Zvezdara", Clinical Hospital Center "Dr. Dragiša Mišović Dedinej", Clinical Hospital Center "Zemun", Military Medical Center "Karaburma"
and General Hospital "Loznica" participated in the research. All the listed health institutions had the status of a COVID hospital. The total sample included 129 respondents (N=129). The research was conducted in the period March-June 2022. The questionnaire was distributed in personal contact and in an electronic version. The electronic version of the questionnaire was created using Google Forms and sent to the respondents via email. The respondents started filling out the questionnaire with prior information about the purpose of the questionnaire and the confidentiality of the data. The statistical processing of the collected data was done in the SPSS software package, and the methods of descriptive and analytical statistics were used in the statistical processing of the data. Modern IT tools were used for processing the texts and data (tables, graphs, images, histograms, etc.) in the Microsoft Excel software package. The paper will present the results obtained only for questions related to the financial motivation of workers employed in healthcare.

Significantly more female respondents participated in the research (109; 84.49%), while there were a total of 20 male respondents (25.8%), which makes a sample of a total of 129 respondents. Most respondents were aged 31-40 (33%), followed by 26% of respondents aged 20-30 and 41-50, while respondents aged 51-60 accounted for 10%. The fewest respondents were aged 61 and over, i.e. 5%. The largest percentage of respondents are nurses - technicians (75%), 12% are medical associates, 9% are administrative workers, and 2% each are general practitioners and senior physiotherapists. During the pandemic, the majority of respondents worked only in hospitals where they are normally employed - 65%, and the condition for filling out the questionnaire is that the respondents worked in COVID hospitals; 5% of the respondents worked in the Arena COVID hospital, and 30% of the respondents also worked in the Batajnica COVID hospital.

4. Results

The results of the question related to what respondents believe would have the most positive effect on the work motivation of healthcare workers during the pandemic show that for 83.7% of respondents, the biggest factor in work motivation is a higher salary. The factor related to gaining reduced years of service during the pandemic is also significant, where almost every second respondent would be more satisfied if their experience acquired in the COVID hospital was treated as a period with increased length (41.9%). The need for shorter shifts than in regular circumstances for 32.6% of the respondents is not surprising, considering that in the initial days of the pandemic, healthcare workers could not take a break, drink water, eat and/or even go to the toilet while wearing protective equipment since it is a one-time use, and there was not even enough of it. This factor of work motivation is added to the increase in the degree of satisfaction due to the increase in better working conditions for 27.9% of respondents. 18.6% of the respondents would like a day off, while praise is a factor of work motivation among 14% of the respondents (Graph 1).

Although the previous question referred to the time of the pandemic, the obtained result is not surprising since even 95.3% or 128 out of 129 respondents believe that health workers are generally underpaid for their work. Only 1 respondent believed that health workers were paid enough for their work, and not a single respondent thought that health workers were paid too much for their work (Graph 2).

The respondents also believe that the salary increase should be at least in the amount of the COVID supplement payment, with which even 66 respondents agreed to the highest possible extent. 18 of them believe that this statement should not come true, while 16 of them are neutral (Graph 3).

The following Graph shows that the financial moment is significant for the respondents, but not the most important motive for doing work during the pandemic, where the research results indicate that:
COVID supplement payment in the form of financial incentive is a significant instrument of stimulation of healthcare workers for 19% of respondents;
- providing help to the sick is a motivation for work for 20% of respondents, but
- as many as 61% of respondents believe that both financial incentive and assistance to the sick are equally important (Graph 4).

**Graph 4.** The results of attitudes regarding a more serious incentive for the performed work

![Graph showing the results of attitudes regarding incentives]

Source: Authors research

The answer that they would not accept work in a COVID hospital without financial incentive was given by more than half of the respondents (N=67), while 22.48% said that they would accept work in a COVID hospital without financial incentive, only because they have no other choice (N =29), while 25.58% of respondents (N=33) said that it is their duty and obligation to treat people (Graph 5).

**Graph 5.** The results of attitudes regarding the work in a COVID hospital without financial incentive

![Graph showing the results of attitudes regarding work in a COVID hospital without financial incentive]

Source: Authors research

At the end of the questionnaire, there was an open question that related to a brief description of the good that the pandemic brought to the respondents. Most respondents did not give an answer or they wrote that the pandemic did not bring anything good. However, there were also a few answers like:
- 9 respondents wrote that the pandemic brought them higher earnings;
- 3 respondents stated that they gained new experience at work;
- the answers of 6 respondents related to positivity in working with new colleagues;
- 4 respondents gave answers related to increasing concern for their health and the health of their family.

This result is interesting because it confirms the satisfaction of a certain number of respondents due to financial motivation, which thus confirmed its importance in the management of healthcare employees during the pandemic.

5. Conclusion

The goal of daily activities in health systems in time of COVID-19 pandemic was to preserve the health of the population, both locally and internationally. A key role in bringing the pandemic under control is played by all people who must show responsible behaviour, but health workers are surely at the forefront, and that is why it was important to find appropriate techniques to motivate them in order to maintain their enthusiasm for work at a high level in extremely difficult and stressful circumstances.

The results indicate that financial compensation is a dominant factor of work motivation during the pandemic for healthcare workers, which will lead to a higher degree of their job satisfaction and, as expected, their greater sacrifice at work. In general, most respondents believe that healthcare workers are not paid enough for their work. They also believe that the minimum wage increase they deserve for their work should be in the amount of the COVID supplement payment. Even more than half of the respondents stated that they would not accept working in a COVID hospital without financial incentive. Although it is clear that the vast majority of respondents primarily want money as a stimulus, a large percentage of them also stated that, in addition to financial incentive, they also get significant satisfaction from helping the sick. Therefore, intangible motivation is also important and managers can take it into account when creating a motivational strategy. Of the intangible factors of motivation, the possibility of having reduced retirement age requirements, shorter shifts, better working conditions, and praise are significant. In this sense, we can agree with Pesić-Jenackovic (2021, p. 61), who claims that the traditional approach to work motivation, which is purely economic in nature, i.e. according to which workers can be motivated exclusively by financial rewards, has been overcome, because our results also show that despite its great importance, money is not the only and exclusive way of motivating employees today, in this case healthcare workers, but that the existence of other non-material factors of motivation is also important for workers to have better performance and be more dedicated to their work.

References


