

ERD 2019
Education, Reflection, Development, Seventh Edition
EFFECT OF INCENTIVES ON OUTPUTS IN THE HEALTH
SYSTEM

Mohamed Sheabar (a)*, Ștefan Cojocaru (b)
*Corresponding author

(a) Doctoral School of Philosophy and Social-Political Sciences. Alexandru Ioan Cuza University, Iași, România, e-mail: stefan.cojocar@expertprojects.ro

(b) Doctoral School of Philosophy and Social-Political Sciences. Alexandru Ioan Cuza University, Iași, România, e-mail: mshheabar@gmail.com

Abstract

When discussing health as a product equally available and accessible to all citizens irrespective of gender, race and age, health is seen as a social product in all senses. The product embodies various key social values that reflect what it done in the field. Many studies have discussed the reasons for differences in health between populations, service providers examine themselves constantly to improve clients' health, reduce gaps between all factors and bring about a better-quality system that measures and controls itself as objectively as possible, knowing that the Ministry of Health also carries out supervision and checks itself. Various government ministries have also begun to cooperate both in reducing gaps and accessibility to various services in different populations including the peripheries, with a clear aim of bringing better quality medicine equally to all citizens. Medical quality demands constant investment and developments, the extent of correlation between society's demands of the health system and what the health service offers always determines the relationships between service providers and all its clients. A reciprocal relationship also exists between service providers and managements at various levels that are based on reward methods anchored in group agreements or personal salary contracts. Additionally, there are rules and regulations, employee relations, direct and/or indirect. Key reciprocal relationships are anchored in reward methods and emphasizing less the non-financial incentives in contracts and understood employment relations. This article addresses types of non-financial incentives and their effect on outputs in the health system.

2357-1330 © 2020 Published by European Publisher.

Keywords: Incentives, health system, burnout.



1. Introduction

This article was written in the framework of doctorate research titled “Cultural Aspects of National Health Law Implementation in Israel: A Study of the Phenomenon of Independent Health Clinics”. Health professionals are the main resource in a health system. Many researchers in economic and health service policy disciplines address factors influencing the conduct of different professionals in the system. The purpose is to achieve better outputs and productivity in this system.

There are diverse models to encourage and determine conduct among staff, the main ones being financial and non-financial (ethical and social) incentives (Vardy, Kyam, & Kitai, 2008). Most actions in changing the health system in the U.S.A. are based mainly on financial incentives (Hunt, 2018).

1.1. Financial incentives

It was found that financial incentives can improve medical personnel’s performance measurements; additionally, they have a positive effect on staff recruitment (Vardy et al., 2008). However, there are disagreements about the efficiency of such incentives in the long-term. No universal formula has been found yet to incentivize professionals, but it has been found that the use of financial incentives has had negative effects (less outputs and creativity, inability to improve values, decreased motivation, unnecessary applications, creating shortcuts and competitiveness and reducing collaboration) despite improving the quality of health care (Doran, Maurere, & Rayan, 2017).

1.2. Non-financial incentives

A literature review revealed that non-financial incentives have a positive effect not just on the performance of medical personnel, but are likely to improve their satisfaction, prevent burnout and keep them in their workplace (Fred & Scheid, 2018). The greatest change in conduct will be achieved by combining both incentive methods, financial and non-financial (table 01) (Hunt, 2018).

Table 01. Financial and Non-financial incentives

Financial	Non-financial
Upgrading salary	Social- Mission based incentives
Fee for performance	Moral- Reputational incentives

2. Literature Review

To redesign and improve the functioning and conduct of all those working in health professions, especially doctors, to achieve outputs and benefits in a range of health areas, overall quality and economic efficiency that puts the client at the centre and no less the employees, the world of incentives requires reorganization.

2.1. Combining incentive methods

Employing financial reward methods to make the quality of health care more efficient has expanded and become more common. In contrast to the effect on value of healthcare is limited – they do not lead to better patient results. The need for care value leading to better patient outcomes and

employees' devotion to act, demands rethinking the link to incentives, financial or non-financial (Doran, Maurere, & Rayan, 2017).

Doctors are complex people; their conduct is driven by factors over and above personal interests. A varied incentive package that combines financial incentives with non-financial incentives could indeed be effective in guaranteeing high health volume care. Examples of non-financial incentives that could improve health care value are:

Mission based incentives

Reputational incentives

Eliminating informational barriers (Hunt, 2018).

Combining two incentive methods, financial and non-financial could be very powerful, for example, when giving a one percent financial incentive for transparency initiatives (Lee, 2015).

Different approaches are expressed in different organizations and cultures, the incentive approach depends on the framework in which it exists, for example doctors' reactions to incentives differs according to the organizations and cultures in which they work: how people are rewarded, what professional areas they focus on and what each one's character and qualities are (Hunt, 2018; Lee, 2015).

2.2. Social models adapted in social activity:

Many researchers and managers have researched and focused on employees and incentives, emphasizing the client at the centre of activity. Lee (2015) emphasized that one of the most noticeable in this world was Max Weber from Germany – an economist and socialist, who in the last century published how to adapt in every social activity and action. His way included four models:

Traditional: To be like the group in dress, if not an employee is punished, let go or ostracized.

Self-interest: give bonus or fine, provide positive incentives for performance and punishment for non-performance.

Affection: cause pressure when everyone looks at the performance of others with full transparency and all data available.

Shared purpose: reaching a consensus that defines the key principal aim of a medical care organization, health care, which is to lessen patients' suffering.

To improve care among caregivers one must employ the four models in a medical organization, each of which must start with the shared purpose model, to start with confidence and pride, to be consistent but with awareness and desire to know what it wants to achieve. Later it is important to complement and apply Weber's other three models (Lee, 2015).

High health care value benefits patients, "community-cabaret" model, cabaret-c is the community or from Hebrew is "kehilla", the b is hospital or from Hebrew is "betchollim" The r is the sequence therapy or from Hebrew is "retsef tipul"

Hospitals and care continuity - a provision model essential for better and higher quality medicine for Israeli citizens. This model is built on the life-continuum with the patient at the center. The model is comprehensive and focused for the benefit of various organization, for the benefit of clients and doctors mainly, presents a costing and incentive structure, makes the work environment and links between hospital personnel and the community more efficient, addresses care and service measurements and even develops them, improves quality and safety of service to clients and addresses various issues connected to

care continuity such as mental health, geriatrics and more (Kidar, Niv-Yaguda, Drausha, Pulitzer, Bremligreenberg, 2014). The caregiver or doctor at the centre principally at the centre reflects all caregivers and particularly doctors and nurses, as first contact with client's starts and ends mainly with doctors and nurses.

2.3. Satisfied employees/burnout employees

Satisfied employees are those who arrive at work happy, create a professional, human, supportive and considerate environment, which care about themselves and personally advance by investing in studies. These employees demonstrate calm and tolerance towards work colleagues and clients. Self-awareness is important in day-to-day conduct and influences a person's professional future. Generally, these employees will show empathy to clients, the organization will enjoy the fruits of their efforts and increasing productivity permanently. These employees will be healthy both physically and mentally.

A burnt down employees holds a mirror to those who are dissatisfied, These employees will think on a daily basis whether it is worthwhile going to work, will make no effort to do anything that is not defined in their job description, will be impatient with themselves and those around them, be they colleagues or clients. They will make no effort to invest in themselves or others, fixed in their ways to the extent of causing concern and drawing attention. An organization will not benefit any fruits or outputs from these employees. On the whole, these employees will show signs of fatigue, signs of illness. Will verbally complain and express difficulties working, will not accept management directions, will be aggressive and will not adjust to innovation, and if at all, slowly and with difficulty.

Fred and Scheid (2018) explained that burnout is characterized among doctors in many ways:

Emotional exhaustion

Finding work no longer meaningful

Feeling of ineffectiveness

Tendency to view patients, students, and colleagues as objects rather than human beings.

Associated manifestations –headache, insomnia, tension, anger, narrow

3. Research Method

This paper was prepared from deferent references with a systematic review, and I added a personal view from professional experience.

4. Conclusion and Discussion

4.1. Incentives as a mechanism for reaching goals and retaining staff members

Aside from financial incentives (reward, salary and bonuses) there are two other types of incentives, ethical incentives such as professionalism, empathy, sense of mission and social or organizational incentives, such as reputation, statutes, administrative limitation and work environment (Vardy et al., 2008).

When we refer to social or moral incentives as potentially influencing staff conduct, one can assume that things are similar for all medical profession staff and those doctors or nurses could serve as

an example. Staffs who are concerned with provision of medical service strive to accept to study, invest time in their training and make an economic investment incorporates great expense.

Medical staff all invests during their work – investing in specialization and day-to-day learning, adapting and adjusting to technological and digital developments, changes and competition in the medical world and self-adjustment to all professional demands. Staffs are required to meet employment organizations' goals, whether it is a community organization or hospital. These goals demand considerable time from all service providers and exert emotional pressures on staff. Goals include service goals and professional goals linked to competition and achieving maximal health for clients.

An example of this is quality measurements in community medicine, balance and performance measurements defined by age, gender and illness. Performance and monitoring are carried out on a daily, monthly and annual basis. Computerized monitoring reports have been centrally built, requiring the involvement of all staff with an emphasis mainly on doctors and nurses. Reward is primarily financial and divided asymmetrically on a regional and center basis.

Additional goals refer to growth, client recruitment, stiff competition on a day-to-day level between HMO's, financial and mental burden on all employees and mainly management teams. There are also goals at a service level, all staff has to address and be involved in them. It is a means of self-examination by sector, a demand to improve at the most detailed level for example how much time one has to wait to see a nurse at various times, how much time one has to wait in the queue for a pharmacist and more. These goals create competition among professionals themselves and constitute emotional pressure, no less than meeting targets for external clients. Additional and key goals checked refer to meeting budgets, a very important goal, whose success is the foundation stone of an organization's survival.

The various goals often confront service providers with diverse ethical dilemmas, whether to provide medical service according to limits of care, legal restrictions, and financial limits or to choose the good of the client medically. Other dilemmas facing doctors and other staff refer to the time invested for a client's benefit, on the one hand a caregiver must provide quality care, in level and according to criteria, accomplishing goals and more; on the other hand pressures from employers for various reasons, which in part are also linked to standardization and absence of staff, to accept more clients, produce gaps and conflict between doctors on the one hand for example, and clients on the other.

4.2. Incentives and burnout

Accepting clients daily in the same manner leads to heavy pressure on staff and mainly doctors and nurses, this pressure will later turn out to cause physical and mental tiredness that will lead to staff dissatisfaction and burnout. It is not enough that staff undergo daily processes and competition in everything connected to organization demands, clients have the chance to assess their level of satisfaction with their visit, how they assess their experience at every station at a clinic, on the one hand, marking a certain role-holder highly providing encouragement and a positive incentive for that person and the center, but on the other hand, a low mark will result in certain criticism, blame and even if it clear which manager or employee received a low mark, sanctions and not just learning lessons for future improvement. An organization can also promote methods of checking and investigations at different levels of service, medicine, budget and growth to examine itself and promote steps to improve. Carrying

out investigations certainly exposes how various targets are met, process transparently reinforces what is examined and advances the organization but creates constant pressure on those same employees who need to constantly improve and achieve better results. The method exposes competition between regions to acquire promised financial incentives. At the same time, and after all, an employee is asked about his/her satisfaction level with so many processes, expresses his/her opinion and answers. The response reflects the extent of his/her satisfaction with all sorts of scenarios but not all of them.

It was found that financial incentives affect staff recruitment, promotion of various quality measurements (medicine, service, growth and budget) but lead to reduced creativity, decreased motivation, unnecessary applications, produces shortcuts, creates competitiveness and decreases cooperation. At the same time, it was found that social and moral incentives affect client satisfaction, staff retention and preventing burnout, and improving patients' experiences during their visits. Allocating time for professionals to be updated, participate in conferences, studies and research can certainly advance their professionalism, controlling appointments and less pressure on them in face of excessive and unnecessary bureaucracy can strengthen empathy for them and show they are at the center of things and an organization's mission.

Promoting a supportive work environment that puts a doctor at the center, simplifying a doctor's doings, less excessive regulations, reducing dealing with non-medical matters, focus of all staff around a doctor in promoting client care, which requires lots of time, could certainly advance a doctor's reputation as a doctor, leads to the whole organization relying on his/her services. Strengthening doctors' status will affect their retention; prevent them quitting the profession, organization and even life!

If this is the case, why is it not done from the start? Why does an organization not choose parallel processes? Retention and growth, reduce unnecessary and high costs of care, assimilate employees and build retention processes, to protect first and attack afterwards in the sense of fair competition and client recruitment, to develop and reinforce existing and planned infrastructures, strong work environment, suitable for the technological age and of course users.

4.3. Factors promoting burnout

Factors promoting burnout can be divided into personal and non-personal factors. Personal factors that can affect burnout emphasize gender, nature, ethnic background, physical and disease disabilities, time working in a profession, personal home commitments, husband, wife and children. Non-personal factors are linked to workplace: what daily pressures at work are employer's demands and lesser consideration of employees' needs and environment. Employees' inability to separate personal and work matters, daily routine, lack of advancement, salary that does not reflect what they actually do, giving incentives to people and employees who are not directly involved instead of those who lead, lack of tools and gaps in processes and human resources versus of policy and regulations.

Burnout inducing factors are demographic, related to age, gender, socio-economic status and role at work and factors linked to organization, workload, interpersonal demands, lack of security at work and absence of resources (Azam, Khan, & Toqeer, 2017). Medical staff does not just deal with diagnoses, medical instructions, visiting patients but also have to deal with increased levels of non-essential administrative information. It has been reported that 50% of doctors experience burnout. Burnout can result in a crisis in the health system (Fred & Scheid, 2018). Output and differences between burnout

employees and those who are not, are many and significant, have enormous implications on public relations whether they are internal or external in a manner that is likely to retain, improve or really damage, influence the outputs of that organization and meeting all the measures to which an organization is committed, internal factors, directorate for example, or external factors, the Ministry of Health and OECD. Doctors leaving the profession, unnecessary costs, physical, mental and even emotional injury (Fred & Scheid, 2018).

4.4. Prevention and treatment of Burnout

In 2018, the Ministry of Health raised awareness that in Israel, in 2019 efforts would be made to promote awareness with the aim of reducing burnout phenomena among health care personnel by raising awareness and starting discourse. Staff will become more aware, will deal with it when necessary and prevent deterioration. Employee satisfaction and reduced burnout rates are greatly affected when people hold onto a sense of mission, their professionalism strengthened (advanced and unique studies, given personal time to be updated and more), empathy shown to them in personal situations and work matters and when the work environment support their reputation in their own eyes, in colleagues eyes and among their clients.

Burnout is considered a damaging factor; it is a risk to the health system. Work environment is a burnout promotion factor. Proactive action is needed at an individual and organizational level to prevent and stop it spreading (Azam et al., 2017). At an individual level doctors must maintain a healthy lifestyle and of course a conducive working environment is essential. On a general level, policy makers must formulate policy that finds various funding sources for all health systems and particularly hospitals and community.

4.5. Conclusion

Outputs in the health system are influenced by various factors both at an individual level and general level. It is known that there is neither data nor perfect measurement methods. The proposal to put together diverse incentive methods is important and crucial.

4.5.1. Combining diverse incentive methods preventing burnout

Examining all areas of the health system reflects a social system in every way. Hence, support for employees and their environment as having crucial effect on their spiritual, mental and physical states. Maintaining them and preventing burnout is not just good for them but prevents putting pressure on other medical staff as well as financial losses and unnecessary costs that must be considered when planning how a medical organization works and conducts itself internally and for its clients. Satisfied employees produce more and create satisfaction among clients they serve. Hence the importance's of non-financial incentives, which can certainly affect the future of an organization, retain its employees and stability

Table 02. Methods of Incentives and preventing burnout

Diverse incentive methods	Preventing burnout
Social- support employees and their environment	Reducing tense and pressure from employees
Moral- Reputational incentives	Empowerment of employees
Financial	Reducing financial losses

Acknowledgments

Thanks to my conductor professor Stefan Cojocar.

References

- Azam, K., Khan, A., & Toqeer, M. (2017). Causes and Adverse Impact of Physician Burnout. *Journal of the college of physicians and surgeons Pakistan*, 27(7), 1-9.
- Doran, T., Maurere, K., & Rayan, A. (2017). Impact of Provider Incentives on Quality and Value of Health Care. Retrieved from www.annualreviews.org
- Fred, H., & Scheid, M. (2018). Physician Burnout: Causes, Consequences and cures. *Texas Heart Institute Journal*. <https://doi.org/10.14503/THIJ-18-6842>
- Kidar, N., Niv-Yaguda, A., Drausha, A., Pulitzer, A., Breml-Greenberg, A. (2014). The Patient at the Center-Cabaret Model. Retrieved from <https://www.health.gov.il/services/committee/-german/doclib/>
- Hunt, A. (2018). Non-Financial Provider Incentives: Looking beyond Providers Payment Reform. *Research Brief*, 24, 1-10.
- Lee, T., (2015). Financial Versus Non-Financial Incentives for Improving Patient Experience. Published online. *J patient exp*, 2(1), 4-6. <https://doi.org/10.1177/237437431500200102>
- Vardy, D., Kyam, R., & Kitai, E. (2008). How we compensate doctors. *Hareffua*, 147(12), 999-1003.