# **Analysis of Factors on Reward System in the Hospital**

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## **ABSTRACT**

**Introduction:** Hospitals, as an institution providing health services, are required to provide quality services. Excellent service must be owned by health workers, including nurses. One strategy used to improve health services in a hospital is a reward system and this is effected by the organisational factors of nurses in the hospital.

**Objective:** This study aimed to identify factors in the reward system in a hospital.

**Method:** This study used a cross-sectional design. The sampling method used simple random sampling with as many as 237 nurses. The independent variables were demographic factors (education, length of working, rotation, workplace and position of work). The dependent variables were intrinsic and extrinsic rewards. The data were collected using an instrument test and observation sheet that were tested for validity and reliability. The analysis used multivariate-test (MANOVA) level  $\alpha \le 0.05$ .

**Results:** The results showed that there was an effect of education on intrinsic reward (p = 0.001), duration of work on intrinsic reward (p = 0.006), position of work on intrinsic reward (p = 0.004), education on extrinsic reward (p = 0.028), duration of work on extrinsic reward (p = 0.001) and position of work on extrinsic reward (p = 0.000).

**Conclusion:** Education, duration and position of work can improve the reward system of nurses. Therefore, these factors can be the motivation of nurses to deliver excellent service.

**Keyword:** reward system, demographic factors, nurse.

#### INTRODUCTION

Hospitals, as one of the institutions that provide health services to the community, are also required to provide quality services. Improving the quality of hospital services is inseparable from the role of the various disciplines of health workers in hospitals, including nurses, because most hospital services involve some form of nursing services.<sup>2</sup> A reward system is one of the important factors that affect individuals working in an organisation.<sup>3</sup> According to Hasibuan, a reward is a reward for services provided by the agency for labour, rewards are not just about rights and obligations, but the most important thing is the driving force and enthusiasm to work.4

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Gillies stated that nurses are the group providing health services, with the largest number reaching 40-60%. In addition, nurses work in hospitals 24 hours per day, 7 days per week on a continuous basis, and they are the spearhead of a hospital in providing health services to the community. Therefore, the performance of nurses is one of the important parts in achieving the goals for providing and improving the most effective health services<sup>56</sup>.

Nurse performance results in 2013 showed that the good performance of nurses ranging from assessment to implementation was > 40%, while, for nurses' performance in evaluating, it was > 60%, with the average education of diploma and work duration of 1-5 years.<sup>7</sup> This shows that the performance of the nurses still needs to be improved. The reasons for the not good performance of nurses are the level of education, the low levels of training level and the lack of motivation given.8 Research conducted at Manado Indonesia Hospital showed that work experience and education level had an impact on nurses' performance in providing nursing

care. Data at the Manado Hospital show the highest nurse education level was diploma, with less than five years of work experience.<sup>9</sup>

The reward is the level of performance that can be realised through a certain business. The individual will be motivated by the hope of things to come; therefore, some people do their job well. Rewards are given to nurses because they have devoted their time, energy, skills and knowledge. Performance is generated from a combination of effort and level of ability, skill and individual experience. Individual performance result is evaluated, formally or informally, by management, and two types of rewards can be given, intrinsic rewards and extrinsic rewards. Then, the reward is evaluated by the individual; if the reward is satisfying and balanced, the individual reaches a level of satisfaction. The purpose

of this study was to identify the factors in the reward system in the hospital.

#### **METHOD**

This study was a descriptive research study that used a cross-sectional design. The sample in this research consisted of 237 nurses at RSUD Dr. Iskak Tulungagung. The independent variables were demographic factors (education, length of work, job rotation, workplace, position). The dependent variables were intrinsic rewards (task completion, achievement, autonomy, personal growth) and extrinsic reward (salary, wages, benefits, interpersonal rewards, promotion, job satisfaction). The instruments used in the collecting data were instrument test and observation sheet which were tested for validity and reliability. The data analysis used in this research was a multivariate (MANOVA) level  $\alpha \leq 0.05$ .

#### RESULTS

Table 1: Respondent Demographic Factors (n=237)

Respondent Factors	Criteria	f	%
	Diploma	115	49
Education	Bachelor's degree	122	51
	Master and Doctoral degree	0	0
XX7 1 '	< 5 years	83	35
Work experience (length of working)	5 – 10 years	66	27.9
(length of working)	> 10 years	88	37.1
*** 1	< 5 years	190	80.2
Work experience (work rotation)	5 – 10 years	38	16
	> 10 years	9	3.8
T. C. 1	Low risk (out-patient care)	20	8
Type of work (place of work)	Moderate risk (hospitalisation)	172	73
(place of work)	High risk (emergency room, operating room, and others)	45	19
	Associate nurse	120	50.6
Desition of west-	PJ shift	35	14.8
Position of work	Team leader	74	31.2
	Nursing unit manager	8	3.4

In Table 1, it can be seen that most of the respondents have a bachelor's degree, which is 122 (51%) respondents. The longest work experience (length of work) is for more than 10 years, which is 88 (37.1%) respondents. Work experience (work rotation) was almost entirely less than five times the work, namely 190 (80.2%) respondents.

In regard to the type and nature of work (workplace), most of the respondents worked in the in-patient clinic or hospitalisation, namely 172 (73%) respondents. Half of the respondents held positions as associate nurses, which is equal to 120 (50.6%) respondents.

Total

		Category							
Reward System		Good		Enough		Less		Total	%
		N	%	N	%	n	%	1	
Intrinsic reward	Task completion	131	55	63	27	43	18	237	100
	Achievement	55	23	116	49	66	28	237	100
	Autonomy	129	54	63	27	45	19	237	100
	Personal growth	74	31	125	53	38	16	237	100
	Average	97	41	92	39	48	20	237	100
	Salary	81	34	91	38	65	27	237	100
Extrinsic reward	Wage	73	31	67	28	97	41	237	100
	Allowances	62	26	82	35	93	39	237	100
	Interpersonal reward	76	32	65	27	96	41	237	10
	Job promotion	89	38	86	36	62	26	237	10

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**Table 2: Reward System** 

Based on the results of data collection, nurses gave an assessment of the intrinsic reward, of which 131 (55%) respondents stated that the task completion indicator was in the good category. Nearly half of the respondents, 116 (49%), stated that the achievement indicators were in the sufficient category. Most of the respondents, 129 (54%), stated that the autonomy indicators in the hospital were in the good category. Most of the respondents, 125 (53%), stated personal growth indicators during working as nurses in the hospital as in the sufficient category. According to the results of the assessment, almost half of the respondents, 97 (41%), stated that intrinsic rewards given by RSUD Dr. Iskak were in the good category.

Analysis of Factors in Reward System in the Hospital

Based on Table 2, extrinsic reward elements, almost half of the respondents, namely 91 (38%), stated that the salary provided by the hospital was in the good category. Nearly half of the respondents, 97 (41%), said that the wages given by the hospital were in the poor category. Nearly half of the respondents, 93 (39%), stated that the allowance benefits were in the less category. And almost half of the respondents, 96 (41%), stated that interpersonal rewards given by hospitals were in the less category. Nearly half of the respondents, 89 (38%), said that the promotion so far was in the good category. Based on the results of the assessment, almost half of the respondents, 83 (35%), stated that extrinsic rewards given by hospitals were in the less category.

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Table 3: Analysis of Factors in Reward System in the Hospital

No.	Variable	F	MANOVA	Description
1.	Education on intrinsic reward	11.059	0.001	Significant
2.	Length of working on intrinsic reward	5.259	0.006	Significant
3.	Work rotation on intrinsic reward	2.903	0.057	Not sig.
4.	Workplace on intrinsic reward	0.199	0.819	Not Sig.
5.	Job position on intrinsic reward	4.474	0.004	Significant
6.	Education on extrinsic reward	4.917	0.028	Significant
7.	Length of working on extrinsic reward	6.741	0.001	Significant
8.	Work rotation on extrinsic reward	0.140	0.869	Not Sig.
9.	Workplace on extrinsic reward	1.658	0.193	Not Sig.
10	Job position on extrinsic reward	22.317	0.000	Significant

The results of the multivariate ANOVA education analysis on intrinsic reward obtained a value of 0.001

( $\alpha \le 0.05$ ). These results indicate that there is a significant effect between education variables with the intrinsic

reward variables. It can be interpreted that the higher the education, the more intrinsic reward increases nurse motivation at the hospital. The results of the second analysis, namely the duration of work against intrinsic reward, obtained a value of  $\alpha \le 0.05$  (0.006). The implication of the statement is that the longer you work in a place, the higher the intrinsic reward. The results of the analysis of work rotation and workplace against intrinsic reward are 0.057 and 0.819, respectively, which means that there is no effect between the length of work and intrinsic reward. Subsequent demographic data are the work position against intrinsic reward, were obtained at 0.004, meaning that there is a relationship between a work position and intrinsic factors. The results of the analysis of the work position against intrinsic reward indicate a value of  $\alpha \le 0.05$  (0.004); this means there is a relationship between the work position and the intrinsic reward.

There were similar results in the analysis of the effect of education, work experience and position on extrinsic reward. Education, length, and position of work on extrinsic reward have a value of  $\alpha \le 0.05$ , which is 0.028, 0.00 and 0.000, respectively. It can be concluded that the higher the education and work position and the longer the work experience of the nurse in the hospital, the higher the extrinsic reward for the nurse. Whereas, for the results of rotation and workplace analysis of extrinsic rewards, there were no significant results. The  $\alpha$  value shows >0.05 (0.869 and 0.193, respectively), which means rotation and workplace have no effect on the extrinsic reward.

## **DISCUSSION**

Demographic Factors Effect on Intrinsic and Extrinsic Reward: Demographic factors that have been analysed and shown to have significant effect include the level of education, <sup>13</sup> length of work, job rotation, workplace and position.<sup>14</sup> Education, length of work and work position are factors that affect intrinsic and extrinsic reward. The higher the education, the longer the work experience<sup>15</sup> and the position that has the most important role in nursing care, then the completion of the task will be faster, achievement of progress will grow, autonomy and personal growth will improve, and salary, benefits, interpersonal rewards and promotion will also be better. 16 The highest education level of respondents in this study is bachelor's degree, with the longest working time being more than five years and with the highest position being that of executive nurse, thus so means the intrinsic and extrinsic reward given will be high.

This is in line with previous research on the quality of the work of nurses who are effected by educational factors; the higher the education of a nurse,<sup>17</sup> the better the quality of the nursing.<sup>8</sup> According to researchers, intrinsic reward includes task completion, achievement, autonomy and personal growth. This is in accordance with research which states that consideration in giving rewards to employees is strongly affected by position,<sup>15</sup> work experience (length of work), type and nature of work.<sup>19</sup> Other studies that supporting this show that of the basic considerations in drafting rewards to employees in terms of the old covers and artwork o rity<sup>6</sup>.

Thus, nurses who have more experience and a higher level of education will be assumed to be faster in completing tasks than nurses with education who have just started working. Nurses with a higher education will also be more careful in deciding an act of nursing. But that does not mean that those with just a diploma but with lengthy work experience cannot complete the task quickly, because one of the factors that affects the completion of the task satisfactorily is a lengthy working experience.<sup>13</sup> Thus, apart from education, factors must also be seen from the duration of the work experience of nurses. Executive nurses are always required to be able to provide the best nursing care and always have direct contact with patients, so that will require nurses to always work fast and be able to complete tasks. The experience of being a nurse can also make nurses' personal development better than other positions. Not that a higher position cannot complete the task and get less wages and fewer benefits, but what needs to be seen and considered is the responsibility of the officer in managing the patient. Clearly, a nurse has many duties and responsibilities toward the patients who are managed.

# **CONCLUSION**

Many factors must be considered in the provision of a reward systems, both intrinsic and extrinsic reward. Education, length of working and the position at work can increase the reward system and become a priority to determine the reward system so that the giving of rewards is appropriate and fair for all nurses.

**Ethical Clearance:** This study has passed the institutional review board from the Faculty of Nursing, Universitas Airlangga, Surabaya, number 938-KEPK.

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Conflict of Interest: None.

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