

**THE IMPACT OF MOTIVATION ON  
EMPLOYEE PERFORMANCE AT LEVEL ONE  
DISTRICT HOSPITALS, WITH SPECIAL  
REFERENCE TO METSIMAHOLO DISTRICT  
HOSPITAL IN SASOLBURG**

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## **ABSTRACT**

Work motivation prevails when there is alignment between individual and organisational goals. Work motivation also comes into being when achievement of organisational goals is associated with personally desired outcomes, such as a sense of achievement or personal gain.

While work performance is dependent on, or limited by, resource availability and worker competencies, the presence of these factors is not sufficient as such, to ensure desired worker performance. This is the reason why companies all over the world consciously include motivating employees as part of their strategies.

When a company embarks on strategies to motivate employees without specific goals, those strategies will not be as beneficial to the company, and outcomes may not be as positive as the strategy makers may have hoped for. Specific goals in terms of strategy and performance must be stipulated beforehand and ways to measure the required performance standards should be in place. Employees should be made aware of such efforts and how their performance will be measured.

A company that makes an effort to motivate its employees will remain competitive and more productive in the long run. This dissertation seeks to establish whether motivational strategies implemented at Metsimaholo District Hospital have achieved the required results of improving employees' performance.

For any company to survive and stay competitive, it is very important that its employees are motivated, because motivated employees in a motivating environment will easily be driven to believe that if they put more effort in performance, their needs will be met. When employees feel their personal needs are met at their workplace, they find fulfilment through performance of their duties. They become productive and the company can achieve its production needs and reach its desired level of service delivery.

In its attempt to meet critical employee needs to ensure better performance, Metsimaholo District Hospital has implemented different motivational strategies, which are discussed in this study, namely:

- Performance Development Management System;
- Occupational Specific Dispensation;
- Training;
- Financial rewards;
- Supportive management and leadership; and
- Individual employee locus of control.

Feedback received from the empirical investigation shows that the abovementioned motivational factors have an impact on the way employees perform their duties. When implemented correctly, they encourage employees to perform their duties better. On the other hand, if they are not implemented correctly, or are perceived by the employees as not beneficial to them, or as not assisting to meet their personal needs, they can de-motivate employees and negatively affect their performance.

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# **CHAPTER 1**

## **NATURE AND SCOPE OF THE STUDY**

### **1.1 INTRODUCTION**

Many companies, in their quest to improve employee performance, spend a lot of money and time on policies and strategies that are aimed at motivating employees. The impact of different motivational efforts on different employees is not the same, because what motivates individual employees is as complex and as diverse as humanity itself. For these reasons, the same motivational strategies and leadership styles will not have the same impact on different employees. This study is aimed at identifying the kinds of interventions and strategies that exist in health care and ongoing reforms to facilitate health worker motivation, and improve both employee performance and achievement of hospital objectives.

Motivation is the willingness to exert high levels of effort towards organisational goals, conditioned by the ability of efforts to satisfy some individual needs and team needs. Motivation represents the forces within individuals that affect their direction, intensity and persistence of voluntary behaviour.

The importance of motivation for team members at work cannot be over-emphasized. If managers are able to motivate and encourage their subordinates the result will be commitment to perform their duties diligently and promptly. This will also help in solving the major problem of high turnover in the health sector and in different companies in South Africa.

The Department of Health, like many other government institutions and private sector organisations, faces a major challenge of inadequate employee performance. The reasons are clearly not only due to a shortage of equipment, facilities and skills, but also to a lack of commitment and willingness to put effort into the job. To correct the situation, companies resort to employee motivation.

This study investigates the impact that motivation has on the way employees perform their duties. It seeks to establish whether they perform their duties better as a result of motivational efforts by the department, and the efforts of immediate supervisors and managers. According to Franco et al. (2004:344), the importance of worker motivation is often mentioned, but little research has been published on health worker motivation in developing countries.

## **1.2 HYPOTHESIS**

The hypothesis of this study is:

Motivation has a positive impact on employee performance.

A school of thought agrees that motivational efforts influence employees to put more effort in what they do. It assumes that well-motivated employees are happy working for the organisation, and that they enjoy job satisfaction and their personal needs are met. Conversely, if the organisation fails to motivate workers, they become frustrated, often just give up and their morale drops if they think their way are is? blocked.

## **1.3 OBJECTIVES OF THE STUDY**

The objective of the study is divided into a primary objective and secondary objectives below:

### **1.3.1 Primary objective**

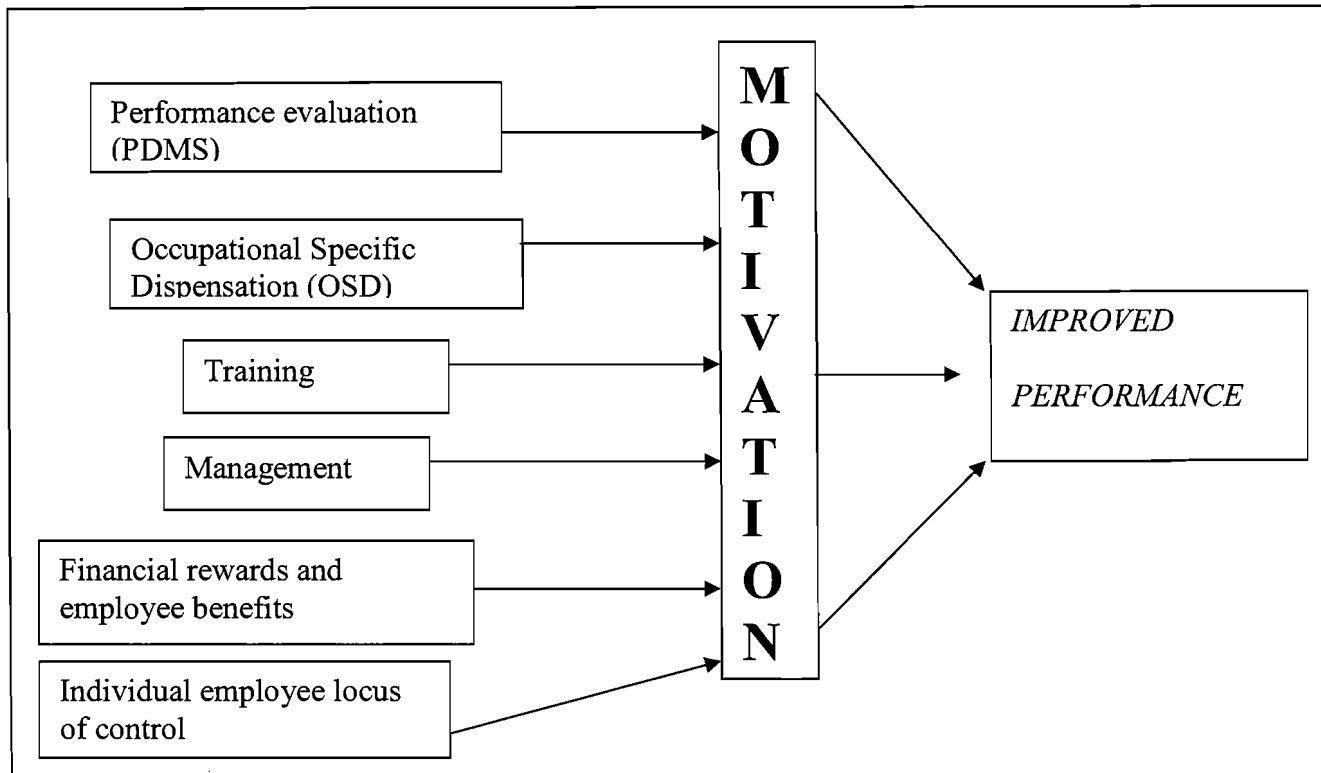
The primary objective of the study is to establish whether the motivational efforts at Metsimaholo District Hospital are succeeding in satisfying employee needs, and reducing the internal tensions that are responsible for employee demotivation.

### **1.3.2 Secondary objectives**

The secondary objectives of this study are as follows:

- To analyse key employee motivators available, especially in the Free State health sector, namely:
  - Performance Development Management Systems (PDMS)
  - Occupational Specific Dispensation (OSD);
- To identify which motivational strategies prove to have a positive impact on employee performance;
- To evaluate the impact of money as a motivator on job performance;
- To determine whether high performance can be achieved by increasing employee motivation;
- To evaluate the impact managers have on employee motivation;
- To evaluate the impact of training opportunities given to employees in relation to motivation and performance; and
- To evaluate the impact of individual employee locus of control on their motivation.

The following figure summarises the motivational factors that will be discussed in the following chapters:



**Figure 1.1:** Study overview

## **1.4 FRAME OF REFERENCE**

### **1.4.1 The hospital**

The study was undertaken at Metsimaholo District Hospital, a level one hospital situated at Sasolburg in the Northern Free State. It offers services that are within the skill base of general medical practitioners who do not require the intervention of a specialist, including simple surgery requiring general anaesthetic.

Metsimaholo District Hospital was built in 1976 and has since experienced an increase in the number of patients; for example, 37 000 patients were seen in 2007 as compared to 10 000 in 1999. The increased patient numbers are proving the hospital too small. Hospital management has proposed a 20% increase in staff as well as extending the hospital to accommodate the increased clientele.

## **1.5 IMPORTANCE OF THE STUDY**

The public service in South Africa is generally known for poor service delivery and poor performance. Even though the researcher could not find any scientific research to substantiate these claims, it is proper to examine the contributing factors to poor performance. The researcher felt it would be appropriate to evaluate the impact motivation has on employee performance.

Needs differ considerably among individuals, and change over time. Individual differences complicate managers' motivational task enormously. To some managers, trying to motivate subordinates is a frustrating and discouraging experience.

The way in which needs are eventually translated into actions, vary considerably among individuals. Management at Metsimaholo District Hospital have realized that the more they get to know the workers, the better able they are to understand their needs and grasp what motivates them. They employ some motivational strategies that helps arouse interest in work, consequently improving performance.

The success of motivational strategies implemented can be measured by improvements in performance. Therefore, the study aims at evaluating the impact of these key motivational strategies at Metsimaholo District Hospital. Also, it seeks to ascertain the success or failure of the motivational effort made by the hospital management. The PDMS itself will be put under some scrutiny to establish its effectiveness.

The research focuses mainly on the five employee motivators in place at the hospital which are:

- Performance Development Management System (PDMS);
- Occupational Specific Dispensation (OSD);
- Training;
- Financial rewards; and
- Management and leadership and individual employee motivation.

## **1.6 RESEARCH METHODOLOGY**

The first step in this dissertation was to do a literature study on the topic, to gain more insight into the important terms of the study of motivation and performance. Information was acquired from various sources, especially text books, the Free State Department of Health intranet, government (Department of Health) policy documents and human resource department booklets.

More information on the subject was also obtained from:

- Internet publications;
- Publications;
- Journals; and
- North-West University on-line library.

Following the literature review, a questionnaire was compiled to address some of the important points that were extracted from the literature study. Metsimaholo District Hospital consists of three main departments (administrative, clinical and nursing) to which questionnaires were distributed to collect information that represents the perceptions of all employees in the hospital about motivation strategies in place.

The questionnaire (Appendix A) was designed to cover all identified motivators and its impact on employee performance. According to Kotler and Armstrong (2008:33), questionnaires are used to enable the researcher to measure the

perception responses on quantitative scales. These scales enabled the researcher to compare factors of motivation that had an impact on employees' job performance.

Questionnaires were divided into open ended, probing and closed ended questions. Closed ended questions specify all the possible answers and were easier to interpret and tabulate. Semantic differential types of questions were used with ratings. The use of open ended questions allowed participants to define and describe the situation in their own words as they saw it. According to Saunders et al. (2003:262), "an open question is designed to encourage the interviewee to provide an extension and developmental answer".

## **1.7 LIMITATION OF THE STUDY**

A number of limitations were experienced:

- There was no readily available data on employee motivation within the Department of Health.
- Some respondents wanted to be assured that their participation would bring change in their working environment.
- Others wanted to be paid for their participation.
- A low return rate among some categories of professions, especially the nursing professionals, realised.

## **1.8 DESCRIPTION / DEFINITION OF KEY TERMINOLOGIES AND COMMON ABBREVIATIONS**

Clinical services employees	Employees of the hospital that include doctors, radiographers, dieticians, social workers, pharmacists, speech therapists
Nursing employees	Professional nurses, enrolled nurses and enrolled nursing auxiliaries
Admin services	Human resources officers, procurement staff, cleaners, kitchen staff, groundsmen, workshop staff
Remuneration package	The remuneration that an employee is entitled to, as defined in the letter of appointment for each employee. This is amended from time to time and confirmed in writing.
FSDoH	Free State Department of Health
PDMS	Performance Development Management System
OSD	Occupational Specific Dispensation
SDC	Skills Development Committee

## **1.9 DIVISION OF CHAPTERS**

The study has been divided into five chapters as follows:

Chapter 1: The topic is properly introduced and the problem defined. Objectives of the study are highlighted. The description of the research methodology and the sampling procedure used are indicated.

Chapter 2: A literature review from various sources on the topic was done, descriptions and short discussions on the terms motivation and performance were given, and the literature review was also done on the five motivational factors that have an impact on employees at Metsimaholo District Hospital.



Chapter 3: The research design is introduced, instruments that were used during the research are also explained, and data analysis is done from the data obtained with the aid of questionnaires and interviews.

Chapter 4: Discussions and interpretations of the answers received from the participants are given.

Chapter 5: The study concludes with chapter five, where the researcher gives recommendations for further studies.

## **1.10 SUMMARY**

The impact of motivation on employee performance was introduced. The scene was set for an analysis of available literature in the next chapter.

## **CHAPTER 2**

### **LITERATURE STUDY**

#### **2.1 INTRODUCTION**

Managers are faced with a huge responsibility of ensuring that employees perform to the best of their abilities. To achieve this, they implement different policies, strategies and external motivators aimed at encouraging employees to perform their duties better in order to be more productive. This is vital: Drake et al. (2007:72) indicated that highly motivated employees are a critical factor in the long-term success of organisations.

The Department of Health, through different policies that guide hospitals and other institutions within their jurisdiction, has also set goals to achieve these motivational objectives, but whether these activities achieve the intended impact on employees' performance is the question which the researcher ultimately needs to find answers to.

Other researchers have already done intensive research on the topic of motivation. This study is not about what motivation is, but more about its impact on performance. To determine whether motivation has any impact on job performance, it is still important to first understand what motivation is, and this will be done by discussing different motivational theories. Luthans (2005:230) indicates that the key to understanding the process of motivation lies in the meaning of, and relationships among needs, drives and incentives.

#### **2.2 WHAT MOTIVATION IS**

It is useful to review some of the major classifications of motivation theories since different theoretical perspectives shed light on how motivation influences work performance.

According to Kreitner and Kinicki (2004:258), the term motivation is derived from the Latin word 'movere' (to move). Motivation represents those psychological processes that cause the arousal, direction, and persistence of voluntary actions that are goal-directed. They continue to say motivation involves a host of psychological processes that culminate in an individual's desire and intentions to behave in a particular way.

Herselman (2001:2) explains motivation at work is generally defined as "a series of energizing forces that originate both within and beyond an individual's self". Such forces determine the nature, intensity and duration of a person's work behaviour and therefore influence their productivity.

Many different motivational theories have been published; for example, the reinforcement theories and instrumental theories, but for the purpose of this study, only content and process theories will be discussed as the researcher found them to be most suitable.

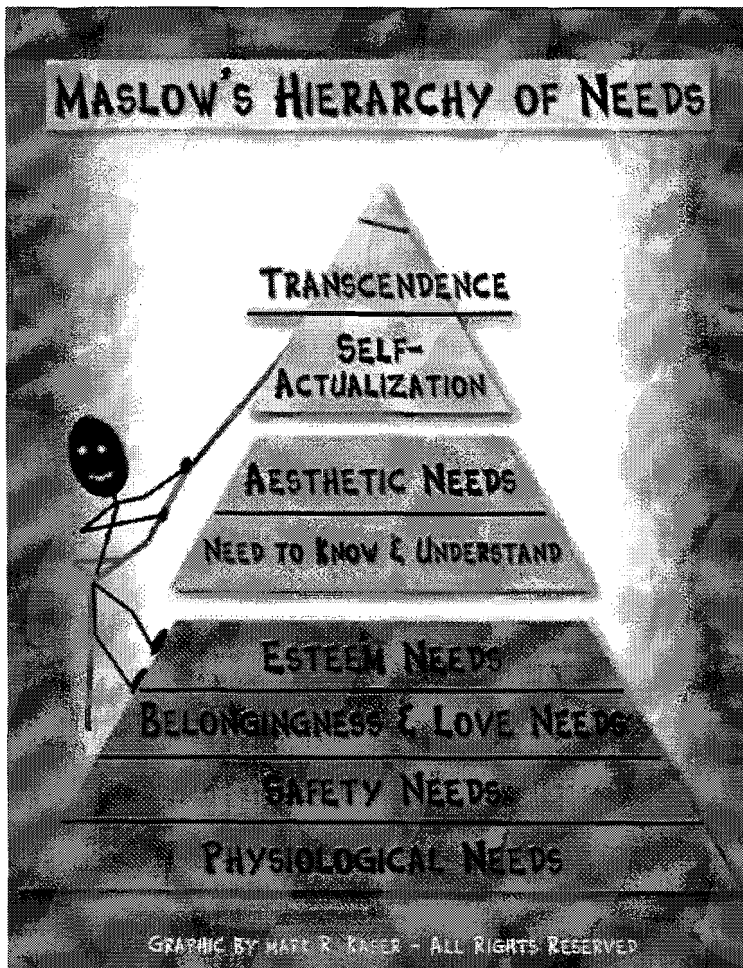
Content theories assume that all individuals possess the same set of needs and therefore prescribe the characteristics that ought to be present in jobs. Process theories stress the differences in people's needs and focus on the cognitive processes that create these differences.

### **2.2.1 Content theories (psychological need theories)**

According to Stoner et al. (1985:536), the content theories are associated with names such as Maslow, McGregor, Herzberg, Atkinson, Adeser and McClelland, but only a few of these theorists will be discussed by the researcher to explain this kind of theory.

Maslow, in 1954, outlined the most influential of content theories. Maslow suggested a hierarchy of needs that progresses: once an individual has satisfied one need in the hierarchy, it ceases to motivate their behaviour and they are motivated by the need at the next level up the hierarchy.

The theory suggests that employees will always tend to want more from their employers. When they have satisfied their subsistence needs, they strive to fulfil security needs. When jobs are secure they will seek ways of satisfying social needs and if successful they will seek the means to satisfy their needs to the ultimate end of the hierarchy – self-actualization.



**Figure 2.1:** Workplace motivation based on Maslow's hierarchy of needs  
(Source: Luthans, 2005:232))

If one examines the origin of Maslow's theory it is clear that it was not intended as an explanation of motivation in the workplace; however, many managerial theorists have adopted it enthusiastically and it has gained a lot of support from motivation and management scholars over the years. It is repeatedly referred to by different researchers.

In 1895, Elbert and Discenza (1985) suggested practices that satisfy various levels of human needs based on Maslow's hierarchy of needs, and these are still relevant to date, as listed below:

### **Physiological needs**

- Furnish pleasant and comfortable environments; and
- Provide for "comfortable salary".

### **Security needs**

- Adhere to protective rules and regulations;
- Minimise risk-taking requirements;
- Provide strong directive leadership and follow chain of command policy;
- Minimise negative stroking and threatening behaviour;
- Provide information about financial status and projections; and
- Provide "just" compensation and supportive fringe benefits.

### **Social needs**

- Encourage the team concept;
- Systematically use organisation-wide feedback survey;
- Use task groups to execute projects;
- Provide for business and social meetings;
- Provide close, personal leadership;
- Encourage group participation; and
- Compensate on the basis of total team performance.

### **Self-esteem needs**

- Include employees in goal setting and decision-making process;
- Provide opportunity to display skills and talents;
- Provide recognition of advancement; for example, publicize promotions;
- Provide recognition symbols; for example, names on stationery;
- Use positive reinforcement programme;
- Compensate as recognition of growth; and
- Institute a mentor system.

### **Self-actualisation needs**

- Provide for participation in goal setting and decision-making processes;
- Provide opportunity and support for career development plan;
- Offer optimum innovative and risk-taking opportunities;
- Encourage direct-access communication to clients, customers, suppliers, vendors, and more;
- Provide supportive leadership that encourages a high degree of self-control; and
- Compensate as reward for exceptional performance.

Managers and leaders who understand this motivational theory are in a better position to nurture their employees as they go through different motivational hierarchy stages; for example, it is easier to motivate employees who are on the social needs hierarchy level by encouraging them to be part of the practical team to handle and to come up with a solution for different projects. In agreement, Luthans (2005:230) further indicates that the key to understanding the process of motivation lies in the meaning of, and relationships among needs, drives and incentives.

In addition to Maslow's hierarchy of needs, Alderfer in 1972 suggested that individual needs can be divided into three groups:

- Existence needs, which include nutritional and material requirements (at work, this would include pay and conditions);
- Relatedness needs, which are met through relationships with family and friends and at work with colleagues; and
- Growth needs, which reflect a desire for personal psychological developments.

Even though both agree that employee motivation is a result of internal need, Alderfer argued that relatedness or growth needs become more important when satisfied. This, for example, means that teams or working arrangements can

continue to motivate employees and are not necessarily superseded by growth needs, like Maslow suggested.

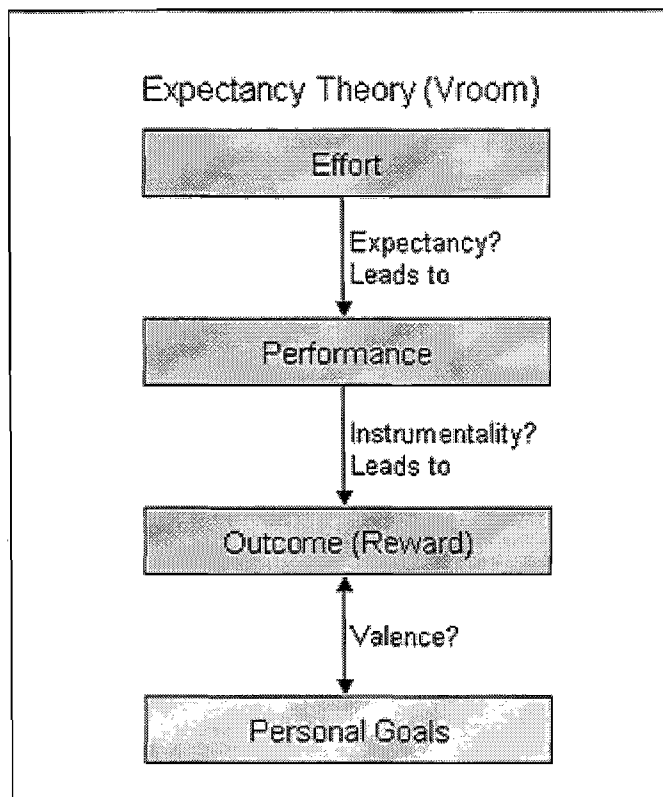
### **2.2.2 Process theories / expectancy theory**

Instead of emphasizing the content of needs and the driving nature of those needs, the process approach emphasises how and by what goals individuals are motivated. Basic to process theories is the notion of expectancy: what a person anticipates is likely to occur as a result of their behaviour. Again, only a few theorists will be discussed below.

Hertzberg (1959) presented a two-factor theory, which looks at motivators and hygiene factors. Hertzberg proposed that job satisfaction and dissatisfaction appeared to be caused by two sets of different factors. For example, Hertzberg's theory suggests that the presence of motivators in the workplace caused enduring states of motivation in employees, but its absence did not lead to dissatisfaction. Hygiene on the other hand produced an acceptable working environment, but did not increase satisfaction. Its absence did, however, cause job dissatisfaction.

Job satisfaction is another researchable topic on its own. Even though the aim of this study is not to evaluate job satisfaction, it is important to indicate that job dissatisfaction would also have a negative impact on employees' job performance. Management, in their quest to motivate employees, should try to avoid those aspects that cause job dissatisfaction for employees.

Of similar importance in this approach is the employee expectancy. Rue and Byars (2003:254) state that, "the expectancy approach to motivation is based on the idea that employee beliefs about the relationship between effort, performance and outcomes are as a result of the value they place on the outcome that determine their level of motivation", as illustrated in Figure 2.2 below:



**Figure 2.2:** Expectancy approach

Figure 2.2 above suggests that a person's motivation to exert effort is based on their expectation to be rewarded accordingly or the idea that motivation is a function of people's expectations that behaviour will lead to outcomes that have value for them.

What can be learned from different motivational theories is the fact that employees do have different needs that they must fulfil, whether this needs happens in hierarchy order, or whether they are related to the nature of employees' work; some might even be personal needs which they may find ways to fulfil through their job. It is important to acknowledge the fact that motivation is generated or derived from personal desire to fulfil personal needs and this can be enhanced to improve job performance.

### **2.3 WHAT PERFORMANCE IS**

Another important factor in this study is the concept of performance. Performance is action in accordance with requirements and expectations; simply defined



performance is a qualitative measure of how things are done in relation to set standards within reasonable time frames. The OED (1978:1015) states that the meaning of performance is a person's achievement under test conditions.

The employer's main aim is to reach the organisational goals with the assistance of their employees. This is the reason why companies develop policies and plans to motivate their staff, and the impact of this is then measured by determining whether employees perform their duties better than they did prior to motivation efforts, and that productivity or service delivery is high or within the set standards.

Once motivational strategies are in place it becomes very important for the hospital to measure employee performance to ensure that it is according to set standards. In addition, Kermally (1997:90) suggested the following reasons for measuring employees' performance:

- It is a means of communicating corporate objectives.
- It is a way of synchronizing departmental or team objectives with strategic objectives.
- It establishes congruence between employees' expectations and corporate goals.
- People feel they are valued.
- It is a form of communication. "We will tell you how you are doing."
- It is SWOT (strengths, weaknesses, opportunities and threats) for employees.
- It provides information to update skills.
- In some organisations it is used for salary review or promotion of employees, or even transfers of employees.
- It forms a basis for counselling, coaching and mentoring.

## **2.4 MOTIVATIONAL STRATEGIES IMPLEMENTED AT METSIMAHOLO DISTRICT HOSPITAL**

Different policies are implemented at the hospital with the aim to motivate employees and enhance their performance. Workplace behaviour is activated by

various motivating factors, both introduced by an organisation to increase the effectiveness and productivity of employees. He further explains that external motivators include strategies and incentives which are designed by the organisation to motivate employees and influence their work behaviour. For these reasons, the researcher is convinced that motivation is a result of more than one factor; hence, for the purpose of this study, the following motivators will be evaluated, and will thereafter be discussed individually in the order given below:

1. Performance Development Management System (PDMS);
2. Occupational Specific Dispensation (OSD);
3. Financial rewards / money;
4. Training (skills development) and bursary opportunities;
5. Management and leadership of the hospital; and
6. Individual employee locus of control.

#### **2.4.1 Performance Development Management System (PDMS)**

The impact of motivation is better determined by measuring performance. At Metsimaholo District Hospital, like all other government hospitals in the Free State, the PDMS of 2003 is used to evaluate employees' performance twice a year. It is a point system whereby those employees who score above seventy percent during the assessment are rewarded with a cash payment of between 5 to 8 percent of their annual salary, and also their annual notch increases by one and half percent thereafter. According to the PDMS policy, "appraisal is a formal system of periodic review of the employee's current or past performance vis-à-vis set performance standards".

The performance appraisal or evaluation is one of the most powerful motivational tools available to a leader. It has three main objectives (Kermally, 1997:90):

- To measure performance fairly, and objectively against job requirements:  
This allows effective workers to be rewarded for their efforts and ineffective workers to be put on the line for poor performance.

- To increase performance by identifying specific development goals:  
*If you don't know where you are going, any road will take you there".*  
The appraisal allows the worker to target specific areas for job growth; it should be a time to plan for better performance on the job.
- To develop career goals so that the worker may keep pace with the requirements of a fast-paced organisation.

It is the responsibility of the human resources department to explain the PDMS process to the new employees at Metsimaholo District Hospital during their induction period. This is done, because the PDMS is regarded as a huge event at the hospital; it is vital that new employees understand the process from the moment they become part of the hospital staff.

The objectives of the PDMS process are:

- To establish a performance and learning culture in the public service;
- To ensure that all jobholders know and understand what is expected of them;
- To promote contact and interaction about performance between jobholders and their supervisors;
- To identify and manage jobholders' development needs and meet those needs where possible;
- To evaluate performance fairly and objectively;
- To reward good performance;
- To improve service delivery; and
- To manage unacceptable performance.

The PDMS is used to inform decisions on promotion, rewards (pay progression and cash bonuses) and skills development of jobholders. When employees are aware that they will be assessed and are aware of the basis of their assessment, it affects the way they perform their duties. The PDMS policy (Free State Department of Health, 2003:35) further explains that the system is aimed at improving performance by directing attention to key areas of activity, which are identified through a strategic planning process. It seeks to establish clear links

between organisational development and culture change, the delivery of quality services and the personal and professional development of jobholders at work.

The appraisal process consists of:

- Setting work standards;
- Assessing the employee's actual work performance in relation to the set standards; and
- Provide feedback to the employee with the aim of encouraging performance that is better than the set standard.

The PDMS policy (FSDoH, 2003:35) further explains that it is aimed at providing a corporate framework to manage and secure effective and efficient organisational performance in meeting customer needs. The PDMS has two purposes – to appraise past performance and assess future potential. The process helps to answer important motivation questions like, “What are the employee's promotional opportunities, what skills need to be developed, and what is necessary to help the employee to improve future performance?”

During the evaluation (PDMS), performance of a jobholder is reviewed and assessed according to the information contained in the Performance Development Plan (Key Result Areas (KRA) and the conduct criteria (CC). This evaluation is based on an individual employee's job description. The specific KRAs and CCs, together with their weightings are evaluated as follows:

- Achievement of Key Result Areas (80%)
- Conduct Criteria (20%)

It is very important that employees should be actively involved in formulating their own goals. This is an important aspect of motivating employees. It encourages individuals to exert more effort and it is also critical that performance evaluation should be done in such a way that it does not end up de-motivating the employees, as this can have a negative impact on future performance. As Kermally (1997:88) indicates, “Employees are one of the key groups of stakeholders involved in any organization; apart from recognizing their interests

and expectations; from the perspective of organisations, it is important to measure their performance to determine their effectiveness in making a contribution towards organisational objectives and success.”

At Metsimaholo Hospital, PDMS is also used to encourage supervisors to not only evaluate performance but to give feedback to their subordinates. It gives employees, together with their supervisors, a chance to plan for training and ensure the employees acquire any lacking skills that may have led to poor performance. This is important, because despite a wealth of research highlighting the positive motivational benefits of knowledge of results, many organisations still provide employees with little or no information about their performance. Although feedback can have considerable impact on both motivation and learning, implementing feedback systems can have wider benefits on performance.

The study by Webb (2007:65) suggested that “higher levels of motivation may be achieved when leaders provide specific plans or rewards and create cultures of affirmation, consideration and appreciation for workers’ abilities and effective actions”. According to Franco et al. (2004:354), “Many of the individual characteristics can be enhanced through direct, appropriate management action and organisational reforms. For example, work self-efficacy, a worker’s sense that s/he can do the job and feel that work is under control, is increased when workers feel competent, know the standards for performance, and receive feedback on what to improve, Local level managers can impact self-efficacy by clearly communicated job descriptions and standards, and providing regular feedback.”

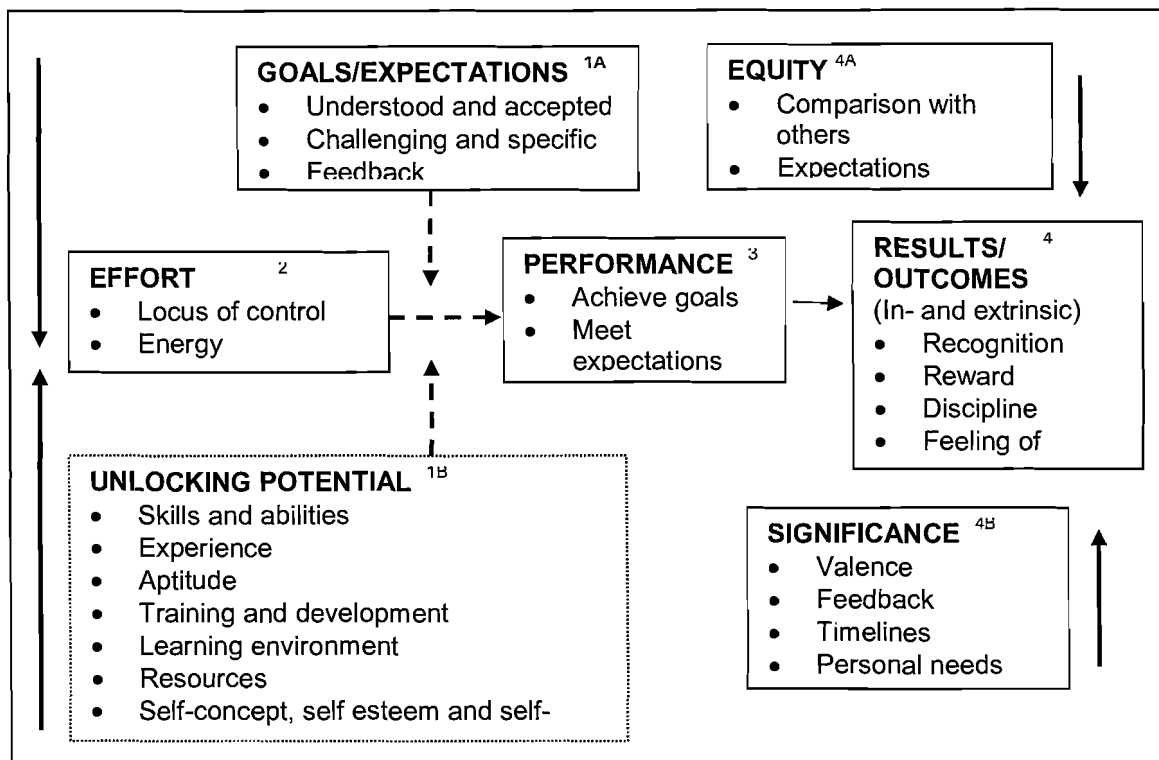
Kermally (1997:130) suggested that “done honestly and properly, employees should look forward to their appraisals. It is an occasion to review their capabilities and performance, and develop plans to update skills and gain new competencies to remain employable”. In addition, Nieman and Bennett (2002:266) state that, “Performance appraisal should not be seen as a management instrument to discipline employees, but should be linked to competitive advantage. It should be directed towards motivating employees to maximize their efforts to the advantage of the organisation.”

According to Schermerhorn (2007: 266), one of the more popular positions is that job performance that is followed by rewards that are valued and perceived as fair, will create job satisfaction; this in turn will likely increase motivation to work harder to achieve high performance in the future. The bonuses that employees get as the results of the appraisal play a huge part in their motivation as it is regarded as a valued reward.

To entrench performance management processes, managers need to:

- Establish competitive performance goals for individuals and teams in line with strategies;
- Ensure effective mechanisms for providing and receiving regular and honest feedback;
- Ensure meaningful performance reviews which clearly differentiate in terms of performance levels;
- Build group-wide standards for performance; and
- Manage financial and non financial consequences for good performance.

The relationship between rewards and motivation can illustrate the importance of achievement of balance between the needs of each employee and the institutional needs. This relationship between rewards and motivated performance is illustrated in Figure 2.4, extracted from Coetsee (2002:153) in his illustration on how linking rewards and recognition to performance can benefit an organisation. Motivation at work can be the result of perception of a link between effort and reward.



**Figure 2.4:** Linking rewards to performance

(Source: Adapted from Coetsee (2002:97))

Perceiving this link could be thought of as a process in which individuals first calculated what the connection between effort and reward is, and then the expectation would follow with the belief that from more effort and the individual's abilities, traits, role perceptions and opportunities, individuals would exert the motivation to do their job better and therefore be rewarded for their performance.

To influence employee performance in relation to the rewards given by the organisation, managers need to pay attention to the following:

- Focus on the crucial expectancy values (the link between effort and their performance);
- Managers should determine what outcome an employee values;
- They need to link the reward that subordinates value to their performance; and
- Managers need to ensure that wage rates are not perceived as inadequate as rewards are based on employee annual salary.

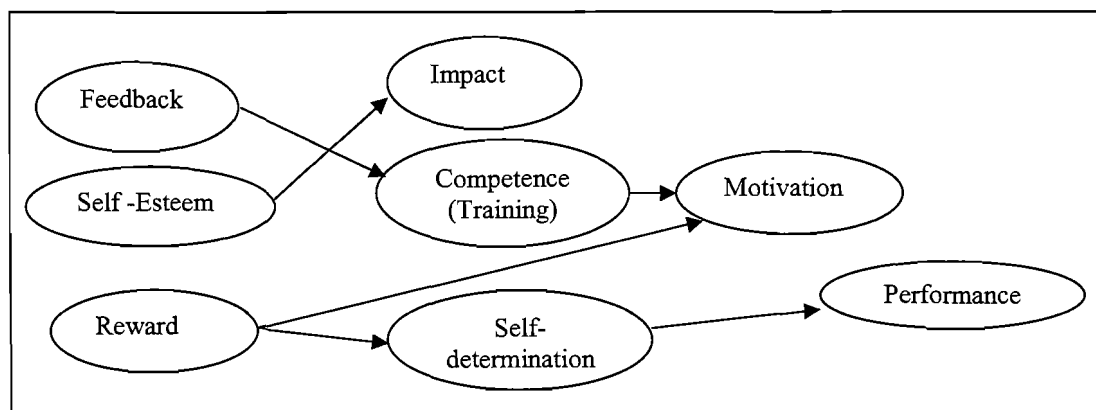
According to Rue and Byars (2003:371), “performance reward relationship is desirable not only at the corporate level but also at the individual employee level. The underlying idea is that employees will be motivated when they believe good performance will lead to rewards.” In addition, Drake et al. (2007:75) explain that, “Rewards based on individual performance are an important antecedent of empowerment, group of organisation based rewards can be effective but often, individual employees do not see a clear link between their actions, performance at higher levels, and their subsequent reward. Strengthening the link between individual performance and rewards can lead to increased feeling of empowerment by reinforcing feelings of competence.”

Even in an ideal situation where employees may generally be motivated to perform their duties to the best of their ability, it is important to ensure sustainability of this behaviour by linking favourable performance to rewards. It is good for a person’s motivation to know that whatever extra monetary compensation she/he may get is because of their performance in their job; this becomes more appreciated and fulfilling than general across-the-board annual salary increases. Maybe not just giving poor performers performance bonuses are not enough, management should come up with ways that may motivate them to perform instead of despair.

In contrast to the above, ever since companies decided that maybe they should measure how their workers are doing and give the better performer a raise, employers have married employee performance appraisals with annual salary reviews. He further explains that Herzberg’s motivation theory that focused on hygiene factors such as pay, if perceived as unacceptable, lead to job dissatisfaction; if perceived as acceptable, lead to a state of no dissatisfaction. Hence, a large raise may result in temporary euphoria, but would not lead to job satisfaction.



Figure 2.5 below illustrates clearly the motivation link:



**Figure 2.5:** Employee motivations to performance

Employee motivational strategies should have performance objectives. Marsden and Richardson (1992:7) explain that “introducing any scheme of performance-related pay makes little sense unless it motivates staff to work better in some respect or another. It is implausible that, for example, its objective should be simply to reward past performance unless this was also thought to encourage good performance in the future”.

#### **2.4.2 Occupational Specific Dispensation (OSD)**

Of similar importance to employee motivation is the latest strategy by the Department of Health to increase the nursing and clinical employee salaries through the process known as Occupational Specific Dispensation (OSD). This was done because South Africa, like many other African countries, has experienced a problem of “brain drain” – people, especially professionals, leaving the country for greener pastures in different countries and continents.

The Department of Health has been the hardest hit with thousands of health professionals leaving the country and also leaving the department for the private sector in pursuit of better salaries and better working conditions. The general perception was that government’s public hospitals’ salaries failed to motivate professionals to want to work there and build a lasting future within the

department, with many health professionals leaving the department immediately after they finish their compulsory community services.

According to a study done by the World Health Organisation (Awases et al., 2004:20), public service has been identified as the principal provider of health services in most African countries, but the number of doctors registered to work in the public sector have been declining. South Africa has lost 41% of its pharmacists during the 1998 - 2002 period to private sector and migration respectively. The study further explains that nursing has probably been the profession worst affected by migration. Data collected shows that the number of nurses working in the public sector has declined, and South Africa has lost at least 12% of its nursing staff to migration.

In its quest to motivate employees to stay and render these essential services to the country, the state, as the employer, together with relevant trade unions in the health sector, NEHAWU, DENOSA, PSA, HOSPERSA and NUPSAW entered into a bargaining council agreement to introduce the Occupational Specific Dispensation, which is aimed at improving the health professionals' salaries, motivate and attract those that have left, make the department an employer of choice and encourage better performance and service delivery.

The agreement was that the OSD would be implemented at different clinical professional categories. First to be implemented from July 2007 was the nursing personnel and at the time this research was done, only the latter were already evaluated and other categories were to follow. As per agreement, the implementation was supposed to have been from July 2008 for doctors, social workers and pharmacists, while other categories like the radiographers and related categories were to be done from July 2009.

#### 2.4.2.1 Objectives of OSD for the nursing personnel

The objectives of the OSD is to introduce an occupational specific remuneration and career progression system for Professional Nurses, Staff Nurses and Nursing Assistants who fall within the registered scope PHSDSBC that provides for:

1. career pathing;
2. pay progression;
3. grade progression;
4. recognition of appropriate experience;
5. increased competencies; and
6. performance.

The above is done with a view of attracting and retaining nursing professionals in all identified occupational classes to the public health sector. An OSD for the three nursing categories was introduced from 1<sup>st</sup> July 2007; it provides for the following:

- unique remuneration structures;
- different career streams; and
- differentiation in salary scales.

Previously, professional nursing personnel were not given any recognition either by post, job title or monetarily for studying beyond the normal general four years nursing diploma, and this discouraged them from studying further, but with the OSD the government has given provision for recognition of studying further in what is called specialty areas, which includes fields of study in the following nursing sciences:

- Child nursing;
- Gerontological nursing;
- Medical and surgical;
- Midwifery and Neonatal;
- Psychiatric;
- Community; and

- Occupational health.

The OSD also introduced different pay progression requirements such that it enables nurses who have distinguished themselves from their peers in terms of performance, to progress faster to salary scales attached to higher grades on the relevant production level. This is determined during the performance development management system evaluation as explained before. The OSD policy (FSDoH, 2007:13) explains that “OSD provides for the introduction of a system of accelerated grade progression, based on shorter qualifying periods than normal, to higher grades based on above average performance”.

Of all the health professionals the nursing personnel have always been the lowest paid; for example, a professional nurse with specialty midwifery qualifications working in a maternity ward’s salary started at R85 000 per annum, as compared to the current R160 000 per annum since OSD was introduced.

Previous low salary scales, as indicated in the above example, within the Department led to qualified health professionals leaving the country or choosing to work in private sectors in many numbers more than any other category, and those that remained working in the public service would work extra jobs in other hospitals, clinics or at private general practitioners’ surgeries on their off-duty days to make extra money.

Nursing personnel would also return to the hospital to work for extra pay when they were supposed to be on leave; understandably this would negatively affect their performance as this practice deprived them of the rest they deserve while on leave. The expectation now from the employer is that with OSD’s new salary scales they should be motivated to relax and return as better performers after their holidays as their basic need for money has been met.

Nursing personnel understand that with the introduction of OSD, progression along the career path is directly related to job performance. An employee is likely to be motivated to perform at peak levels so that career goals may be accomplished. This will be accomplished by those employees that will be

recognized as performing above average during the performance development assessment, and they will be rewarded by being moved two notches higher than the notch they were at.

Both the OSD and the PDMS were introduced to encourage and motivate employees to perform their jobs better. In both systems, there is monetary reward or compensation for employees performing their duties on an above average manner; for this reason the impact of money as a motivation cannot be ignored.

#### **2.4.3 Financial rewards / money**

Financial rewards and compensation or salaries have an impact on employee motivation and good performance. When employees want to change jobs or apply for higher positions within the company, the first factor they check is the salary package that the new job offers. This pursuit of higher and better salaries has been the main motive behind many health professionals leaving the Department of Health and the country.

According to Herselman (2001:3), human behaviour is the product of consequences, and improvement in work-related behaviour can be ensured by using positive reinforcers such as salary/wage increases, bonuses and other forms of monetary performance- related incentives.

In emphasis to the importance of money, the study by the World Health Organisation (WHO) (Awases et al., 2004:20) further indicates that emigrated employees, when asked what would motivate them to return to their countries, responded that they would be motivated to stay or return to their countries if the public sector would offer competitive salaries and other incentives. Specifically, 77.5% of South African respondents stated better salaries would motivate them to remain in their home country.

According to Herselman (2001:4), the most important external motivator in the company is money. Not only does management define their motivational strategies with reference to financial payouts, but employees also frequently

interpreted motivation in terms of monetary rewards. In addition, as a motivator, a good salary or wage package justifies a person's sense of self-esteem, indicates his/her value to the company and reflects his/her achievements. It is also a means of rating oneself against other people and in terms of previous achievements he further adds that monetary incentives therefore, constitute standardized motivational procedures in the company.

Monetary incentives, therefore, constitute standardised motivational factors in Metsimaholo District Hospital where many employees' needs are primarily for monetary rewards, which can be converted into goods and services to satisfy their and their dependents' physiological and security needs.

Pay is often talked about as a motivator or de-motivator. People are generally not constantly striving for higher salaries: once they reach an acceptable minimum level, they tend to compare their salaries with what people doing a similar job in the organisation or in other organisations are earning. If they are earning less, then de-motivation starts to creep in and, if this is occurring, something should be done to bring their earnings into line with other, similar positions.

#### 2.4.3.1 Overtime payments

Metsimaholo District Hospital offers a 24-hour medical care and emergency services. Inevitably, employees work beyond the normal legislated 40 hours per week as guided by the Labour Relations Act No.66 of 1995, in which case the employer pays for the overtime worked by the employees. The compensation of overtime is done in the following manner:

##### 2.4.3.1.1 *Sunday overtime*

The department will provide compensation for Sunday work when an employee is requested to work paid overtime:

- On a Sunday or other public holiday, if the employee does not normally work on such a day, or

- On a day the employee normally has off to compensate for work on a Sunday or other public holiday.

The department compensates authorized Sunday work by paying the employee concerned twice his/her normal hourly remuneration.

#### *2.4.3.1.2 Normal overtime*

The hospital compensates for normal overtime when they have required of an employee, in writing, to perform official duties for more hours than the employee's normal working hours during the week.

The department compensates authorized normal overtime by:

- Paying the employee concerned one and one third times his/her normal hourly remuneration; or
- Granting the employee time off equal to time worked as per agreement with the employee.

#### *2.4.3.1.3 Night overtime*

The department provides compensation for night overtime when:

- The head of the department has required an employee, in writing, to perform paid overtime between 20:00 and 06:00; and
- The employee does not normally work at night.

The department compensates authorized night overtime by paying the employee concerned twice his/her normal hourly remuneration, or granting the employee time off for the time worked as per agreement.

#### *2.4.3.1.4 Commuted / fixed overtime allowance*

This allowance is paid to medical officers and dental practitioners. The hospital pays employees a fixed monthly allowance to compensate for overtime if:

- The employee performs reasonable similar amounts of authorized overtime, Sunday work or night overtime from month to month, and
- The employee completes the prescribed contract.

The approval of contracts is subject to an audit/revision whenever the operational requirements of the hospital changes and is so prescribed by the Head of Department.

#### *2.4.3.1.5 Standby allowance*

If the employer requires an employee to be available for the performance of duty outside of her/ his normal working hours, the employer shall pay standby allowance, and this allowance is not affected by a payment for overtime due to the employee.

At Metsimaholo District Hospital this standby allowance is normally paid to theatre nursing staff as they are normally called from home in case of emergency theatre cases.

The employer pays an allowance if an employee's supervisor requires an employee to be available for duty:

- From the normal closing time of the employee's place of work; or
- On a day on which the employee would not normally work.

#### **2.4.4 Employee benefits**

Of similar importance to employees' salaries are the employee benefits, what used to be known as fringe benefits that employees at Metsimaholo District Hospital, like many other government employees, enjoy. These are paid in addition to their normal salary. The importance of extra compensation for extra work done by the employee can be used as an approach to performance improvement through achieving important goals of human resource management: attracting, retaining, and motivating all levels of employees.



These benefits are not received only by employees whose performance outshines the others, but since the costs of these benefits to the hospital are high and are becoming higher with every passing year, they should be emphasised to motivate employees to perform their jobs better, knowing that their employer is taking care of them in other ways; for example, employees are entitled to the following benefits:

- Housing subsidy;
- Medical aid allowance;
- Government employee pension fund;
- Nursing and all clinical service staff all receive rural allowances of between 8 and 12% of their annual salary (also known as inhospitable allowance);
- Paid leave days;
- Annual leave of between 22 and 26 days;
- Family responsibility leave – 5 days per year; and
- Sick leave – 36 days in three years.

#### **2.4.5 Training and skills development**

Based on personal experience and discussions with other managers the researcher concluded that skilled employees are better employees; all motivational tactics will never make an unskilled employee perform their job in a satisfactory manner. Hence the importance of training and skills development cannot be overly emphasized.

Determining employee training needs are important. According to Van Zyl (2005:33), training should not be undertaken without first determining whether it is necessary or required. Consequently, training should not be considered without having productivity improvements in mind as a principal goal.

As mentioned in the preceding paragraphs, employee assessment at Metsimaholo District Hospital is done thorough the PDMS; it is during this assessment that any skills shortage is discussed and highlighted. To motivate

employees and ensure better performance, employees who do not perform satisfactorily during the PDMS assessment and the supervisor realizes there is a need for training, are normally sent for such training or a short course, to improve their performance and therefore increase their productivity.

According to the PDMS policy, the objectives / principles of continuous learning and development include the following:

- Empowerment of both the supervisor and jobholder regarding skills and knowledge;
- Identification of development needs (competencies, skills, knowledge, and behaviour) by both the supervisor and jobholder required for the jobholder to perform at an acceptable standard;
- Development is the responsibility of the jobholder and the supervisor;
- Supervisor must act in a supportive capacity; and
- The jobholder and supervisor must agree upon a personal development plan.

In addition to the guidelines on the PDMS policy, the hospital also has a Skills Development Committee (SDC) which consists of a representative from the three major categories (administration, clinical and nursing services) whose job is to identify training needs in the hospital and administer department bursaries. This committee is also tasked to control the study leave given to the employees. They have to ensure that enough people are afforded the opportunity to go to school while at the same time ensuring that enough employees are available for service delivery.

The purpose of the hospital SDC is to:

- Promote an environment of skills development;
- Identify training needs to operational and HR needs;
- Submit a local workplace skills plan to the departmental SDC; and
- Review the implementation of the local workplace skills plan to take proactive and corrective steps.

The institutional SDCs are guided by the skills development policy of the Free State Department of Health of 2004. According to this policy, the local SDCs within the department must facilitate “a process of systematically reviewing human resource needs, and ensure that required competencies are available when and where they are needed whilst realizing its objective of empowering all personnel and stakeholders to their full potential”.

The importance of continuous training, especially in the health sector environment is of vital importance. This ensures that the health providers stay up to date with new developments in this critical field of medicine where new research and different and better cures are continuously found.

The Skills Development Policy is aligned to the departmental Human Resource Plan, which assists in determining the demand for and supply of competencies needed in order to address the scarce skills to assess the needs, areas of strength and redundancy, identify the gaps in capabilities and develop intervention strategies to address them.

The objectives of the Skills Development Plan are as follows:

- To provide a framework for education, training and development of health personnel;
- Ensure that a co-ordinated and integrated approach is accepted in addressing the skills needs of personnel;
- Ensure that the skills level of employees of the department is increased so that there is productivity, and also to ensure that quality service is provided to the community; and
- To facilitate the development of effective career paths for all employees in the department.

Van Zyl (2005:33) explains that training and productivity improvement are logical extensions of each other. It is improbable to produce improvement in human performance without relying, to one degree or another, on training. In agreement, McClelland (1993:15) further states that training and productivity efforts share a

common objective – to improve performance on both individual and collective levels, thereby increasing efficiency, quality and output while simultaneously controlling (reducing) costs.

This is important, because it is also through training that employees will be equipped with knowledge and skills to perform their jobs better. Boninelli and Meyer (2004:121) explain that if management wants to improve productivity they should invest in training and staff development while they:

- Match skills to competitive demands and business context;
- Provide attractive development and career options; and
- Ensure effective career management practice.

#### 2.4.5.1 Departmental bursaries

In addition to the short courses, workshops and training that the hospital sends its employees for, there are those that enrol and study for a period longer than one year. Such employees may receive a departmental bursary to assist them with payments for their study.

The Department of Health of which Metsimaholo District Hospital falls within, offers employees bursaries according to the departmental needs. Management may encourage employees to study a specific field in order to address a shortage of knowledge and skills. Emphasis is put on the fact that departmental needs and not individual needs should be addressed.

Bursaries are allocated to employees of the Free State Department of Health (FSDoH), who are studying at Universities and University of Technologies by either attending classes in their own time, or who have made arrangements such as block release / correspondence, or distance learning.

For employees to receive bursaries, the Hospital Training Committee refers institutional applications to the Departmental Committee, which thereafter considers employee performance, service history and potential to apply

knowledge and skills learned to the job within the department, before awarding suitable employees with the bursary.

Once the employee has been awarded a bursary, they are obliged and contract-bound to serve the FSDoH one year for every year that a bursary was granted, but if the bursary holder has five years' full time, uninterrupted service, they will not be required to serve the department after completion of their studies if they should decide to leave.

The policy states that an employee may be required to "refund the FSDoH in full with interest for all bursary payments, salaries and bonuses received for periods away from work in case of resignation before fulfilment of all bursary obligations".

According to the departmental bursary policy, the bursary covers the following:

- Registration fees;
- Tuition fees;
- 100% participation fees;
- The department will consider payment for accommodation if the employees are studying away from their workplace;
- Transport, if the institution is not based in the same town as employee's workplace; and
- Typing, photocopying and binding facilities of FSDoH may be utilised.

#### **2.4.6 Management and leadership**

In a quest to understand whether the strategies and external motivators in place have any impact on employee motivation and on their performance, it is very important to include the impact management and leadership has on motivation and employee performance.

Motivation is an important issue for any manager within an organisation. If managers can understand what it is that motivates their staff, they are better

placed to get the best from those employees and to help them achieve goals both for themselves and their organisation. According to Franco et al. (2004:353), “improving motivation requires addressing multiple determinants and acting at an operational (managerial) level”.

Timmons and Spinelli (2007:5) explain leadership as motivating and inspiring – energising people to overcome major political, bureaucratic, and resource barriers to change by satisfying very basic, often unfulfilled, human needs.

According to Rue and Byars (2003:3), “management is the process of deciding how best to use a business’s resources to produce goods or provide services. A business’s resources include its employees, equipment and money.” Managers have a responsibility of guiding these human resources accordingly.

Franco et al. (2004:352), in support of the statement made by Rue and Byars above, say many of the individual characteristics can be enhanced through direct, appropriate management action, work self-efficacy, workers’ sense that they can do the job and feel that their work is under control, is increased when they feel competent, know the standards for performance and receive feedback on what to improve. Management can impact work self-efficacy by clearly communicating job descriptions and standards, and providing regular feedback.

At Metsimaholo District Hospital, like in many other businesses, there are three levels of management; these levels have a different impact on employee motivation:

a) Senior management

They are responsible for setting goals for the business, deciding what actions are necessary to meet them, and determining how best to use resources. On this level of management there is the District manager and the CEO.

b) Middle management

They are responsible for achieving the goals set by senior management. This includes Head of Nursing services, Head of Clinical services and Head of Administration services.

c) Supervisory management

They are responsible for the people who physically provide the hospital services. On this level the hospital has the following:

<b>Nursing services</b>	<b>Clinical services</b>	<b>Administration services</b>
Matron	Pharmacy manager	Senior administration officers for finance department and for human management
Unit managers (wards' supervisors)	X-ray department	Laundry supervisor
Programme managers e.g. T.B. coordinator Infection Control Sister	Physiotherapy supervisors	Food service supervisors
	Radiography	Cleaning service supervisors
		Maintenance supervisors

**Table 2.1:** Different employee categories

Every manager or supervisor plays many roles in the relationship with his or her subordinates. They are the people who assign work, give out the rewards and punish for poor performance. They act as counsellors and advisors; they are the main channel of communication with the subordinates. However, they also are the people who criticize and admonish the subordinate. They have the role of a teacher and developer to their subordinates.

When managers understand these roles well, they would be in a better position to motivate their employees and therefore have a direct impact on their performance. They should also be careful not to punish employees who are unable to perform a task but rather punish those who are able to perform the task, but are unwilling or unmotivated to succeed.

The results of a study by Webb (2007: 65) indicate that workers are motivated towards extra effort when leaders model self-confidence, high energy, personal conviction, power and assertiveness. When attributed charisma is combined with the factors of intellectual stimulation, individual consideration, and contingent reward, the management of the hospital can expect that employees are motivated toward extra effort.

According to Webb (2007: 68), contingent reward may be perceived as knowing your workers well enough to identify their strengths and to place persons in positions where they can make positive contributions to the organisation and attain rewards and recognition. When people know what they need to do to achieve rewards and they believe they possess the skills and the training to successfully accomplish the requisite tasks, it makes good sense that these persons are more likely to be motivated towards extra effort.

It is also very vital for managers to understand their impact on employee motivation. Burrau et al. (2008:356) explain that managers do not actually motivate employees, but they can use rewards and punishment to encourage employees to motivate themselves towards pursuing company objectives.

A key to motivation is to know what employees value and give them those things for achieving company goals. A reward is not motivating unless it is something the employee values; the reward does not need to be money alone – people also value things like praise, respect, an interesting job assignment, or extra time off. According to Grobler et al. (2002:105), a manager should thus attempt to meet the employee's important needs or basic requirements for working productively.



Managers are also responsible for the skills development of their staff as included in the Skills Development Plan of the Free State Department of Health, which states that every manager is responsible for:

- Actively ensuring that all his/her employees are given the opportunity to learn within the departmental career development framework;
- Approving formal learning activities such as courses and seminars;
- Ensuring that there is an effective transfer of learning from training programmes to the workplace;
- Closely monitoring and evaluating the transfer of skills from training interventions to the workplace through a process of identifying key performance indicators and performance standards and assessing employees against these;
- Actively involving themselves with career planning, coaching and mentoring in consultation with employees to develop them to their full potential and ensuring that they are available for appointment in increasingly responsible positions that become available in the public service; and
- Encouraging personnel to participate in learnerships and skill programmes.

The most important departure point is that, although employee satisfaction and ‘their positive perceptions and attitude towards the work they do and the extent to which management and the organisation show a real interest in their well being’ is of the utmost importance, the focus thereon may not supersede the managers’ focus of holding people responsible for results and performance.

Managers should always be conscious of ensuring others perform to the best of their abilities to achieve organisational goals. They should also ensure that employees are mindful of their responsibility in their own motivation to perform the duties which they are hired and paid for.

### **2.4.7 Employee locus of control and responsibility for their motivation**

The importance of motivation on employees has already been highlighted, but it is also very important to emphasise the importance that individual employee motivation and the responsibility of each person for their own motivation has. This is important, because a motivated person is ready to act, is fired up to achieve something or fulfil a need. Kotler and Armstrong (2008:143) describe a motive as “a need that is sufficiently pressing to direct the person to seek satisfaction”.

Motivation is a very complex subject, because whatever the Department of Health, or any other employer may plan and do to motivate their employees, will not be effective unless it is perceived by the employees as motivational or as an answer to meeting their personal, then organisational needs. As indicated, an individual is the only one at the end who can really motivate himself; others can encourage this motivated behaviour and increased performance. What influences the way employees perceive legislation, policies and procedures in their workplace is normally the internal or external locus of control within the individual employees.

Coetsee (2002:102) explains that “locus of control refers to what you ascribe responsibility or blame for what is happening or occurs in your life. This has to do with the degree to which you believe that you yourself influence what happens to you”. Coetsee continues to say, “Some people believe that they are masters of their own fate and bear personal responsibility for what happens to them; these people are said to have an internal locus of control. On the other end, there are people with external locus of control: they are people who believe they are pawns of fate, that what happens is determined or strongly influenced by external factors or outside occurrences such as coincidence, chance, luck, circumstance or powerful people.”

When managers understand this internal influence, in a pursuit to motivate employees and therefore increase performance, they can capitalize on them; for example, an employee with internal locus of control will prefer to be responsible for their high performance and the results thereof. High performance standards

can thus be set for such a person and he or she should be rewarded accordingly when those standards are achieved.

A person with external locus of control should therefore be motivated in a different manner than a person with an internal locus of control. Supervision and more control need to be exercised to ensure high performance from these people, but they also should be rewarded accordingly. Managers need to understand these psychological processes if they are to successfully guide employees towards accomplishing organisational objectives.

According to Franco et al. (2004:352), work locus of control, the worker's perception of how much their position and salary is a function of their own efforts, can be modified if transparent systems for promotions and pay are implemented, and workers are given an appropriate level of autonomy.

Nonetheless employees should be personally responsible for their own motivation and improving their skills through training; they should be able to use benefits and strategies available for their empowerment to enable them to do their job better, thus, in essence, employees have a responsibility for their own training and development.

According to the Skills Development Policy of FSDoH, it is each employee's responsibility to:

- Determine, in consultation with their supervisor and managers, their training and development needs, and personal development plans;
- Plan and manage, with his/her supervisor, learning and career development in a way that is consistent with the needs of the department and the public service at large;
- Demonstrate a willingness to grow and learn through work experience;
- Accept responsibility and take the initiative for their training and development;

- Take full advantage of the training and development opportunities available to them;
- Commit themselves in terms of learning and development, to the application of learning in the workplace on private time;
- Apply the knowledge and skills learnt to improve their work performance;
- Participate in the evaluation of their training and implementation of personal development plans; and
- Participate in learnerships and skill programmes.

In the literature study above, the importance of motivation and performance evaluation were discussed. Included is the discussion of the six factors that have an impact on motivation of employees at Metsimaholo District Hospital.

During the literature review the importance of these six factors were highlighted and the researcher realised that because these motivational strategies are important ,valuable research has already been done on each aspect of the OSD, which was only introduced last year (2007) in June. The literature study has shown that proper implementation of these factors is of the utmost importance in employees' motivation.

In the next chapter the research methodology used in the empirical study is discussed.

## **CHAPTER 3**

### **EMPIRICAL INVESTIGATION AND METHODOLOGY**

#### **3.1 INTRODUCTION**

Care was taken to include employees from all levels to have an unbiased group that represented different opinions within the hospital. Three to five people were included in each category. The following categories of employees were included:

- Doctors (medical and dentists );
- Nurses;
- Physiotherapists;
- Radiographers;
- Admission clerks;
- Porters;
- Supervisors from different categories;
- Groundsmen; and
- Cleaners.

#### **3.2 CHARACTERISTICS OF INTERVIEWEES (RESEARCH GROUP)**

To gather information about the topic of this dissertation, a structured questionnaire, whereby all respondents were asked the same questions and offered the same options in answering them. Included also were a few open questions in which respondents answered in their own words (Appendix A). The questionnaires were sent to employees at Metsimaholo District Hospital.

The aim was to gather information representing the entire spectrum of personnel hence the questionnaires were sent to different departments. Interviews were held with a few low-education level employees like cleaners and general workers to ensure coverage of all levels of employees within the hospital.

##### **3.2.1 Sampling collection / sampling method used**

The population of the study consisted of 270 employees at Metsimaholo District Hospital. In total, 50 questionnaires were distributed to employees in different categories and levels; representing 20% of the total staff. The whole spectrum of employees was covered including one member of top management. A total of 39 questionnaires were returned, which represented 78% of all questionnaires distributed, and 22% were not received back from the employees.

Only employees who have been working for the hospital for more than two years were included in the research. This was done because of the high turnover rate, especially within the nursing department. Also, the researcher wanted to make sure that people who answered the questionnaire had knowledge about the hospital and at least have had a few PDMS evaluations, training opportunities, and have been working there before the OSD implementation.

A total of five cleaners were interviewed, two of which were male and three female; also interviewed were three maintenance personnel. This was done because of their level of education: questions were explained properly and in their language to ensure they understood them well. Another reason these interviews were held was to ensure that answers were received in the shortest possible time. All interviews were held privately and only one employee was interviewed at a time.

In the literature study in chapter 2, many important facts that play a role in motivation of staff were identified. These points were included in the construction of the questionnaire; especially the six external motivators having an influence on employee motivation at Metsimaholo District Hospital.

### **3.2.2 Data collection**

The techniques to distribute and complete the questionnaires used by the researcher included distribution of questionnaires via e-mail and personal delivery of questionnaires, followed up by telephone calls. Throughout the data collection process a major challenge was to persuade all employees included in

the sample, to complete the questionnaire. Each questionnaire was sent with a covering letter that guaranteed and reassured the participants of the confidentiality of the research and its results, and they did not have to write their names with the answers.

The pre- and post questionnaire items were examined for convergent and discriminate validity using confirmatory factor analysis with Byrne EQS (1994:87). Some items were eliminated due to low internal consistency with other items, or because of a lack of validity.

### **3.3 ETHICAL ASPECTS**

Acknowledgments are given to the work of other authors referred to in the dissertation. The different books and publications helped to guide the author throughout this dissertation. The approach used in gathering information is in such a way that negative publication to the hospital or the department is avoided. The author has concentrated on the factual information, and aspired to concentrate on the facts while discussing the results and interpretation of the questionnaire.

## **CHAPTER 4**

### **RESULTS**

#### **4.1 INTRODUCTION**

The approach to the research findings will be divided into the six motivational factors whereby data was collected in order to establish the impact of the discussed motivational strategies and factors in the previous chapters, namely the PDMS, OSD, money, training, management / leadership and individual employee motivation responsibility. Included in all categories were questions on improvement of productivity. Employees were asked if the implementation of the above increased their productivity.

#### **4.2 REVIEW OF THE ANSWERS TO THE QUESTIONNAIRE**

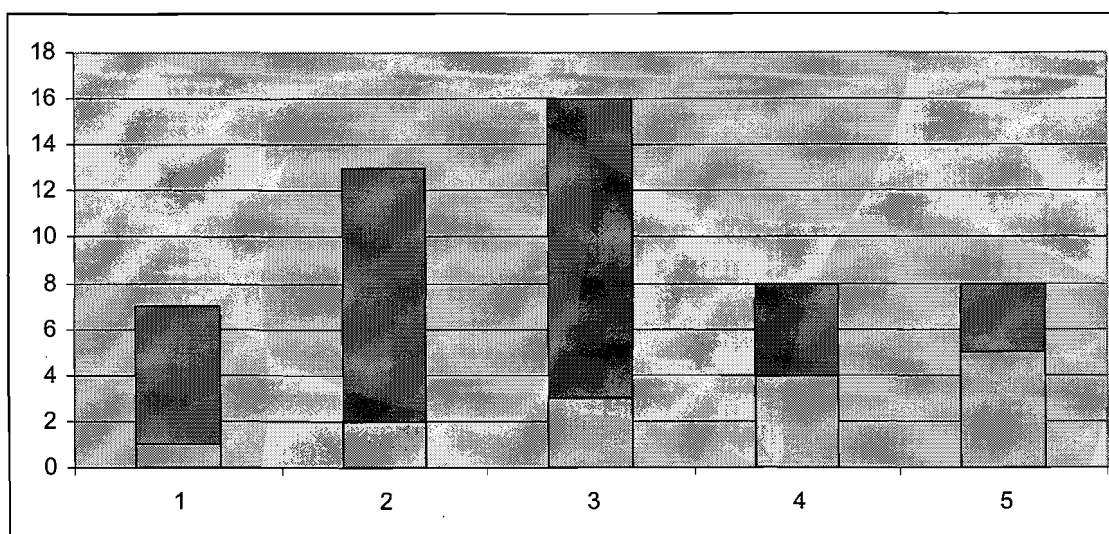
The questions asked in the questionnaire (Appendix A) are discussed below. Firstly, the general questions about the hospital and employee understanding of the term motivation were asked as follows:

##### **Question 1: What do you understand by the term motivation?**

Of the respondents, 89% defined motivation as what drives them to do their job to the best of their ability, and they indicated that the reason they were motivated to complete tasks were because of the motivational strategies in place; for example, knowing they would be evaluated during the PDMS period encouraged them to perform their duties more efficiently to ensure they receive the rewards.

Employees in non managerial or supervision positions referred to motivation in more general terms; for example, they referred to motivation as factors that include job satisfaction, working conditions and access to their supervisors.





**Figure 4.1:** Question 4: Overall, Metsimaholo is an enjoyable place to work at.

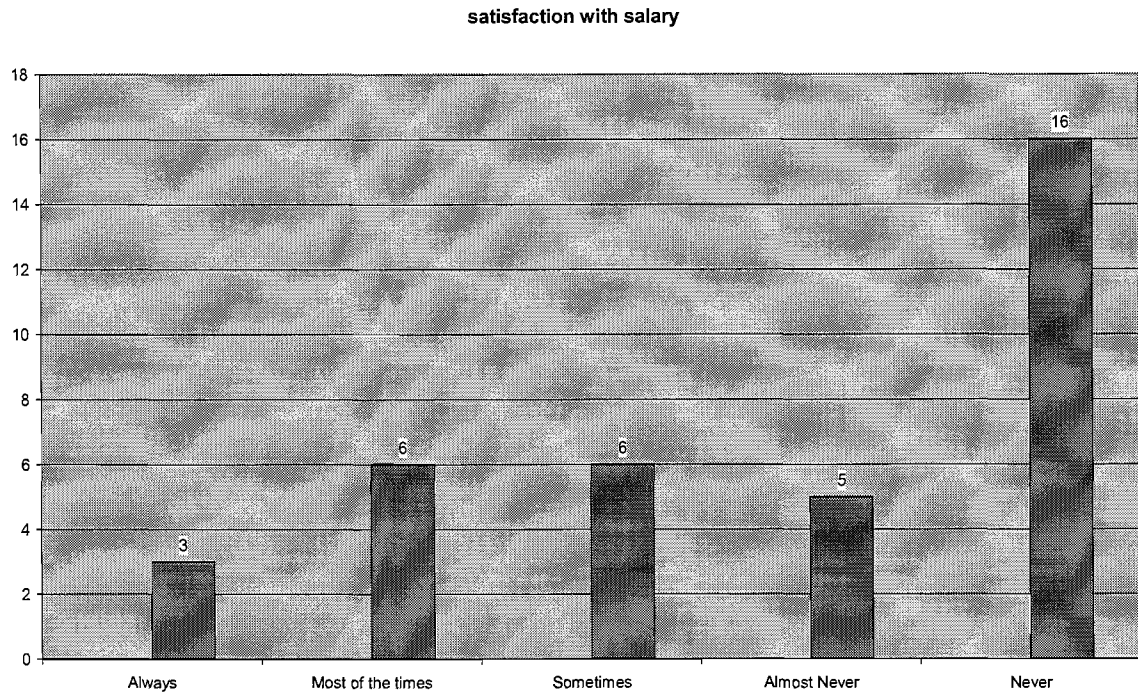
As indicated above, most of the respondents said they enjoyed working at the hospital and are motivated to perform their duties; on average, people seem to enjoy working in the hospital and in the company of their colleagues.

### **Salaries**

At the point this research was concluded, OSD for nursing personnel was recently completed, their salaries have been increased for the better, especially those professional nurses with specialty qualifications; for example, advanced midwifery and theatre technology. They explained that they felt very happy with their current salaries.

Other departments showed dissatisfaction with their remuneration packages; overall, employees are not happy with their salaries, promotion possibilities and the opportunities available to them to contribute to the overall success of the hospital.

The results of the survey show that employees on the lowest category, like the drivers, workshop personnel and cleaners, attach far greater value to monetary rewards than employees in higher professional posts like doctors and social workers, where recognition, achievement and job satisfaction featured in research participants.



**Figure 4.2: Satisfaction with salaries**

Answers on OSD

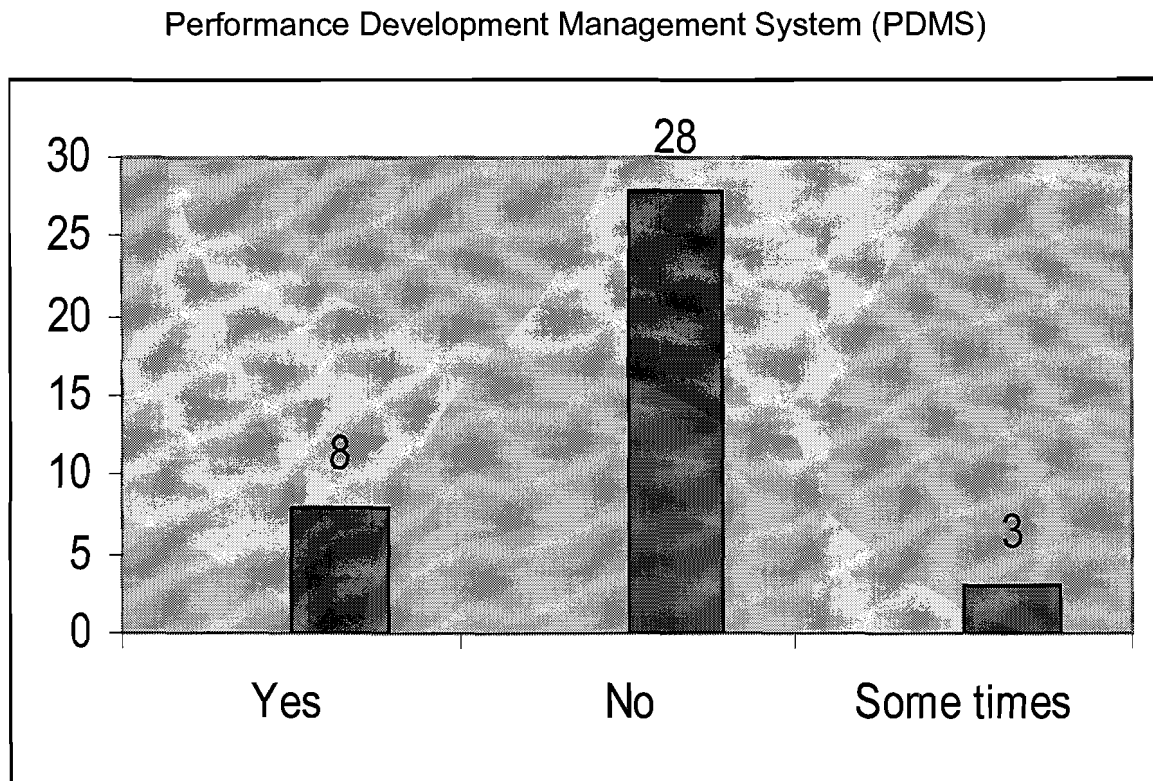
**Question 12: Do the nursing personnel perform their duties better since the introduction of OSD?**

No	70%
Yes	10%
Not sure	20%

Most nursing personnel indicated that the OSD has corrected the injustice in their previous salaries, has motivated them to feel more appreciated in their profession, but not necessarily compelled them to improve their performance.

Nursing personnel are very appreciative that their qualifications and salary level were reviewed and that they are now rewarded in accordance to their qualification and experience, but this does not mean they are performing their jobs any better than they did before the OSD implementation. The research results show that they feel and believe they were already working hard anyway, and because of shortage of staff they are much stretched. They are motivated to

do their job, but their performance has not necessarily improved because of OSD.



**Figure 4.3:** Question 14: Is PDMS achieving its intended objectives of encouraging better performance?

The majority of the respondents indicated that they did not believe the PDMS is achieving its motivational objectives, these being the only system used in the hospital to measure performance at the moment with monetary reward attached to it. It seems not to encourage employees to better their performance in hope of recognition: the main reasons for this are that the results of the PDMS are influenced by the hospital's total human resource budget. Only 5% of the total budget is used for this purpose: when evaluating the employees, immediate supervisors already know they cannot score too many people to the level of 70% whereby a bonus of at least 5 to 8% of that employee salary would be paid in performance bonuses.

**Question 15: To be able to achieve its intended purpose, how would you suggest PDMS be implemented?**

The participants gave the following suggestions:

Cancel it	3%
Use outside help with the evaluation	10%
It must be done more fairly; it should not be based on the budget.	80%
Train the evaluators / supervisors	7%

The fact that employees show increased disappointment and dissatisfaction with PDMS result in resentment, hence it is de-motivational. Also, because the PDMS is seen as unfair, the employees do not associate its results to their performance as a result of which it loses part of its motivational impact.

## **Training**

**Question 21: Is the hospital training plan adequate?**

The feedback was as follows:

Yes	64%
No (its inadequate)	36%

The comments received from this question can be summarized as follows:

- Some people have not been sent for training since they started working at the hospital.
- The same people are sent for training and they feel they must all be given the same opportunities. Equal access to training is not available.
- Only the nursing personnel are sent for training.

**Question 23: Do you perform your duties better after you have undergone training and workshops?**

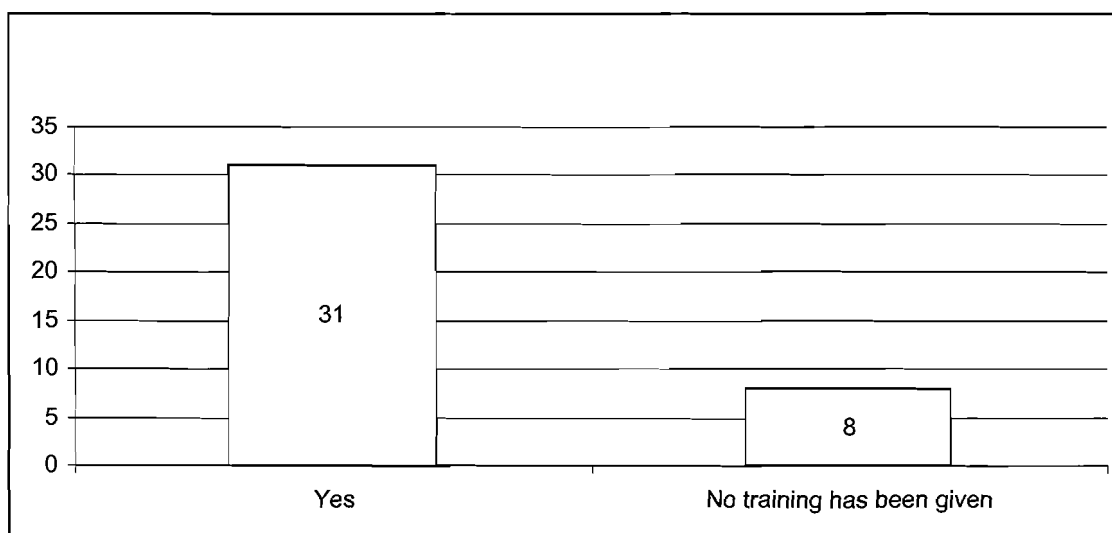
Yes	96%
Not sure (no training given)	4%

The majority of the employees who participated in the survey agreed that they perform their jobs better after training or workshops. They also indicated that training would be more beneficial when needs of the employees are assessed per department and relevant people should be sent to relevant training sessions – only then would training have a positive impact on performance.

This study has proved there is a positive correlation between the incidence of training in the workplace and employee performance.

**Question 25: Are you given enough or fair opportunities for training?**

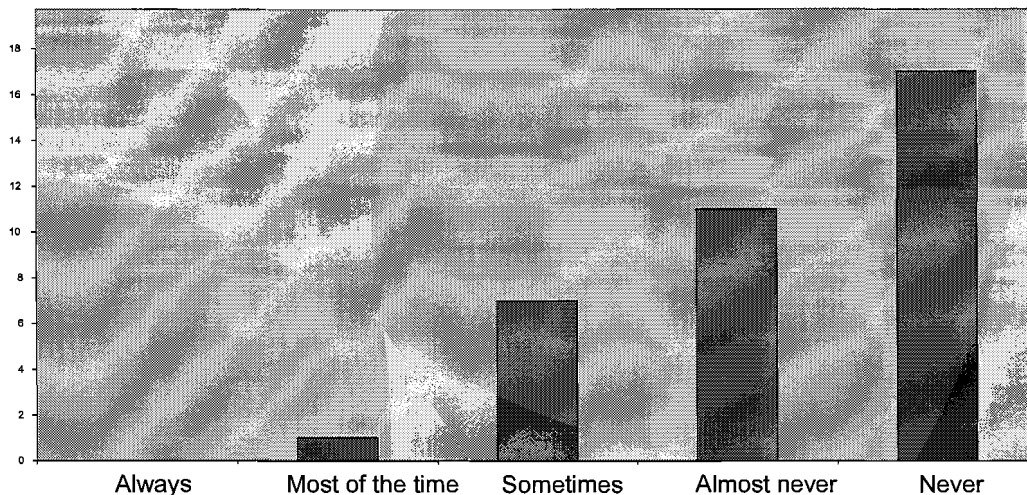
Twenty nine of all participants said they were not given enough opportunities for training, mainly because of the reasons mentioned above.



**Figure 4.5:** Training improves performance

## Answers to questions on management and supervisors

From the answers relating to top management at the hospital, the employees feel management does not appreciate or recognize, or reward outstanding performance. They feel management does not effectively communicate with the employees.



**Figure 4.6:** Management recognizes outstanding performance

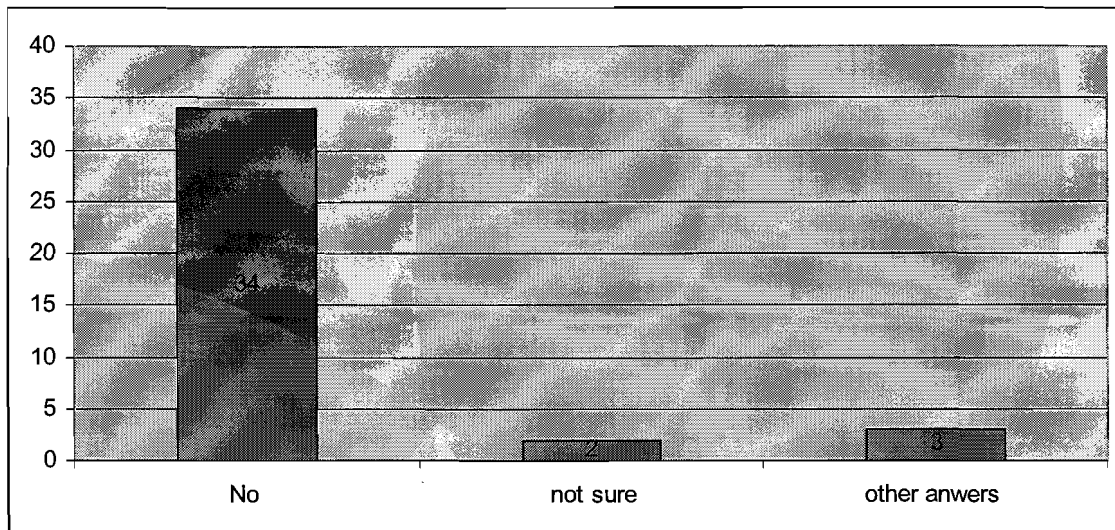
As per figure 4.6 above, 53% of participants say management never recognize good performance from the employees.

The following concerns about top management were raised:

- They are rarely available in the hospital, always in meetings or at head office in Bloemfontein.
- Employees are never thanked in person by top management, even though they feel they work very hard, especially with the current shortage of staff experienced.
- Employees said they expect management to visit their departments from time to time to find out how they are doing, and maybe see some of the challenges they are faced with on a day-to-day basis.
- Recognition from management is perceived as inadequate. Secondly, the participants stated that although it is obvious that management is aware of

the inputs of the employees, especially those who are in the frontline of contact with the public/ patients, their support is inadequate to the staff.

**38. Do you think management of the hospital is doing enough to motivate employees?**



**Figure 4.7:** Is management doing enough to motivate employees?

Other reasons that were given by the participants why management failed to be motivational to the staff are:

- Sometimes their hands are tied, because policies are formed from head office in Bloemfontein.
- Management is too busy with other important things like meetings and making sure the hospital has all the equipment and medication needed.

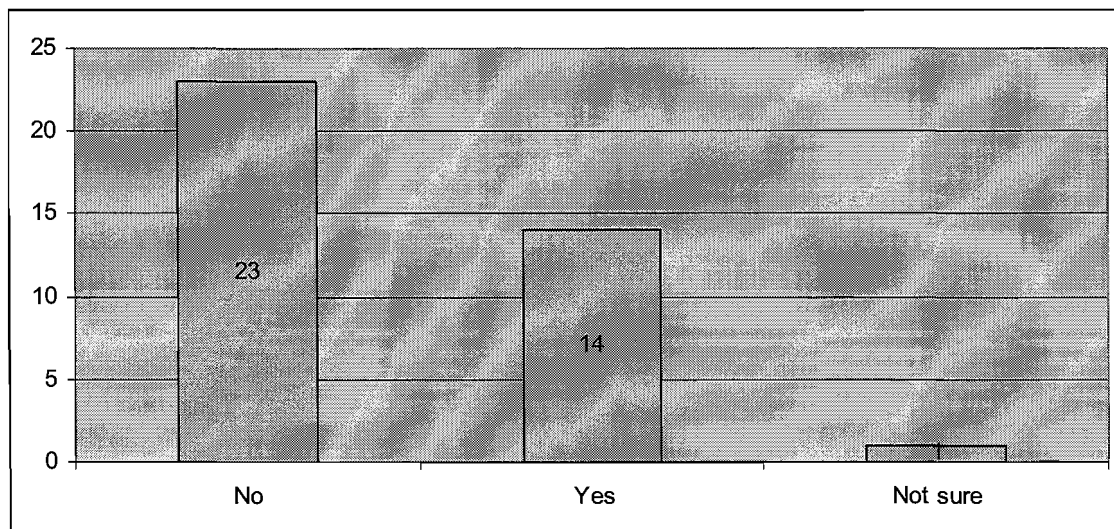
Contrary to the above scenario, supervisors are seen as effective, and employees say they have access to and good relationships with their immediate supervisors. Other factors affect the relationship between employees and their immediate supervisors; for example, as mentioned earlier on this report, the fact that supervisors are seen as not being fair during the performance appraisal is explained as because they are put in a tight spot by the department by making the results of PDMS to be affected by the budget, hence the following results:

**Table 3.1: Question 37: Your supervisor's fairness in appraising your performance**

Ratings	Number of participants with that answer	Percentage %
Very good	2	5.1
Good	9	23.1
Average	23	59
Very Poor	5	12.8

### Employee benefits

Employee benefits do not motivate the employees. They do not even recognize them. Employees feel "fringe benefits" are part of their whole package and that they are entitled to them.



**Figure: 4.8:** Does the hospital benefits motivate you?

### 44. What motivates you to do overtime when requested to do so?

Overtime payment (money)	80%
Fulfilment from helping the patients	20%

Participants were asked to briefly motivate their answers. A summary of the feedback is the following:



- Monetary payments were the highest motivator. Employees said they know by working overtime, they are able to achieve other things which they otherwise would never be able to do with their normal salaries.
- Even those professionals that said helping and / or saving lives was a motivator on its own, still referred to money as another source of their motivation.

#### Discussion of questions about locus of control

Most employees said they are responsible for their own motivation to perform their duties. In addition, they also expect management, supervisors and colleagues to play their part in supporting them and making Metsimaholo a good place to work at, where employees are motivated and supported to perform their duties better. Patient care is a collaborative effort from different departments – from administration to the nursing staff that nurses the patients in the ward after they were seen by the doctor, taken to x-rays at the radiography department, dispensed medicine at the pharmacy, or even the speech therapist or physiotherapy might all be involved.

### **4.3 DESCRIPTIVE STATISTICS**

Data received from the participants were analysed using the PH statistics programme. The results of this analysis are shown in table 3.2 below.

**Table 3.2: Descriptive statistics**

Descriptive statistics					
Question	N	Minimum	Maximum	Mean	Std. Deviation
N4	38	1	5	2.74	1.245
N5	38	1	5	3.16	1.405
N6	37	1	5	3.70	1.412
N7	38	1	5	2.58	1.482
N8	37	1	5	1.86	1.228
N26	39	1	5	3.59	1.371
N27	39	1	5	4.21	1.196
N28	39	1	5	3.59	1.352
N29	39	2	5	4.15	.904
N30	39	3	5	4.31	.893
N31	39	1	5	3.92	1.085
N32	39	2	5	4.05	1.025
N33	39	2	5	4.08	1.010
N34	39	1	5	3.77	1.224
N35	28	1	4	2.21	.995
N36	28	1	4	2.54	.962
N37	28	1	4	2.82	.945

Because the number of respondents (population) was greater than thirty ( $n > 30$ ), the researcher assumed that the population followed a normal distribution. For a normal distribution:

- 68% of the population lies within  $\pm 1$  standard deviation of the mean;
- 95% of the population lies within  $\pm 2$  standard deviation of the mean; and
- 99% of the population lies within  $\pm 3$  standard deviation of the mean.

Since all of the population's standard deviations are approximately 1, it means that the spread around the mean is very little, i.e. most of the observations are very close to the mean of the population. The following will be used as examples:

### **Questions about the hospital**

For question 4, the mean of the population is approximately 3, meaning most of the respondents were neutral on whether overall Metsimaholo is an enjoyable and satisfying place to work.

At question 6, the mean of the population is approximately 4, which means most of the respondents indicated that they have a strong sense of pride and accomplishment in the work they do at the hospital.

For question 8, the population mean is approximately 2. This indicates that they did not have enough opportunities for development/training and promotion opportunities and they could not foresee a continuing career in the hospital.

### **Work situation**

For question 26, the mean of the population is approximately 4, which means most of the respondents are not satisfied with their salaries.

### **Top management and supervisors**

For question 29, the mean of the population is approximately 4, which means most of the respondents felt that management does not recognizes their outstanding performance.

For question 33, the mean of the population is approximately 4, which means the majority of the respondents feel that hospital management is generally inefficient.

For question 37, the mean of the population is approximately 4, which means most of the respondents feel their supervisor is fairly appraising their performance.

## **4.4 DISCUSSION AND INTERPRETATION**

Companies need motivated employees to enable them to achieve their objectives, as indicated in chapter two. Employees become more motivated when their different needs and objectives are fulfilled while at the same time they are meeting the company objectives. To motivate employees, a number of strategies should be in place, because what may motivate one employee may not necessarily motivate the other. This study evaluated six factors of motivation that have an impact on employee performance.

At Metsimaholo District Hospital, from the answers of the questions asked, it is clear that the employees understand the concept of motivation, and they have strong feelings about which factors motivate their performance, their responsibility towards their duties and towards the community which they serve, The responsibility towards colleagues, their expectations from management, and their immediate supervisors are also clear.

### **4.4.1 Discussion on answers on financial rewards**

The general viewpoint at the hospital is that the salaries paid are inadequate; this is based on the fact that people with the same qualifications working in other sectors generally are paid more than the hospital pay its employees. This has resulted in the hospital losing employees in high numbers, and the challenge is recruiting other competent people to the hospital.

The anticipation for higher salaries for the nursing and other clinical staff members has made the situation better. Now these employees will be compensated based on their qualifications and years of experience. The nursing personnel's salaries have general increased from what they previously used to earn. From the answers, it is clear that there is still some dissatisfaction, but they are generally happy that their salaries have been increased.

The participants from the cleaning and workshop departments are the lowest paid in the hospital, but surprisingly enough these are the people who showed content with their salaries. This can be referred back to Maslow's hierarchy of needs

discussed in chapter one. Contrary to what the theory dictates (which preaches that once one's need is met, it does not motivate the employees anymore), in this case, these employees indicated that their basic needs for salary, security, need for medical aid, pension, union coverage and social needs for belonging in a work group and teams were met. They showed no interest in higher levels of the hierarchy, like the esteem and self-actualization needs; hence they seemed to be more motivated than the other groups of employees in the hospital.

In addition to the employees' salaries and the employee benefits, overtime and standby allowances are paid. The monetary value attached to the above is what makes these strategies more attractive. Employees seem to be willing to work extra hours for this extra payment.

The motivational value of overtime payment is found in the way it is implemented; for example, professionals like doctors and pharmacists do their overtime and standby on a fixed contract. Its payments therefore have become part of their monthly salary, and it has lost its motivational value as the same amount is paid every month. In other departments, like the cleaning, administration and workshop personnel, these benefits are paid only if a person was requested to work overtime based on hospital needs. In such cases, payment is seen as an extra income, that comes once in a while and employees highly appreciate it and it does have a positive impact on their motivation to perform.

#### **4.4.2 Discussions of the answers on the PDMS**

There are different viewpoints on the Metsimaholo District Hospital's performance evaluation system. The goals of this system do not seem to be implemented properly. The policy itself (document) is not a problem; the problem is with the implementation thereof. The supervisors who assess the employees are more conscious of the limitations in the hospital budget, therefore employees are not scored according to their performance. Because of these reasons, it becomes clear that currently the PDMS fails to motivate employees to improve their performance.

Other employees indicated that despite the obvious problems associated with this system they looked forward to their evaluation as this gives them a chance to discuss their performance goals and needs with their supervisors. They are also aware that the results of their performance evaluation are important for the hospital's training needs plan.

#### **4.4.3 Discussions of the answers on the OSD**

The general viewpoint is that Metsimaholo District Hospital and the whole public sector was in a situation where steps had to be taken to improve the salaries of its core employees: nursing and clinical service personnel. The necessity is emphasized by the situation mentioned in chapter two of previous high turnover rates and nursing employees working extra jobs to earn more money. The situation is aggravated by the high illness rate because of disease like HIV/AIDS.

The fact is that most participants viewed the OSD as a long overdue necessity in a situation characterised by high patient / nurse or doctor ratios. Current personnel are clearly motivated to stay and render their services to the hospital. However, satisfaction with new salary scales shows little impact of employee performance for now.

The OSD's benefits are expected to be more obvious later, as the department will be able to attract more employees and nursing staff, and other health care professions should be able to attract more students to study in these fields, so later the general performance of the hospital will improve (strategic move).

OSD is an expensive exercise. The hospital spends a lot of money in this quest to improve productivity: approximately R150 000 in payments was made to the nursing personnel between July 2007 and January 2008, and there is also an increase of R100 000 in the nursing personnel's salary budget. The fact that most participants viewed OSD as necessary shows that employees' expectations were met and the hospital expects to retain more employees, and for them to perform their work better (as they said they will cut on doing extra jobs and focus on service delivery at the hospital), the basic financial needs of these categories are met for now between the OSD, PDMS, and overtime payment.

#### **4.4.4 Discussions of the answers on training**

The importance of training has been highlighted in previous chapters. Also, in this chapter the viewpoint of all participants is that training plays an important role in employee motivation. Evidence shows that trained employees are better performers, especially in the health sector where new developments and better medication are introduced all the time and new disease management is introduced.

Participants emphasized the importance of training needs assessment, per department and per person; this will ensure that relevant employees are sent to relevant training, which will help them perform their work better.

Equal opportunities for training should be given to all employees. Some departments showed dissatisfaction with the fact that the nursing department seems to be the only ones being sent for training, and even amongst the nursing personnel there were dissatisfaction that the same people are sent more than once. This can be de-motivating to other personnel, and they view it as favouritism and empowerment of a few employees, especially those who are in supervisory and management positions who, in most cases, do not directly work with the patients like their subordinates do.

#### **4.4.5 Discussions of the answers on management and leadership**

Management and hospital leadership have a great impact on employees' motivation. The participants showed a general dissatisfaction with top management of the hospital. Interestingly, however, although management was deemed as unsupportive, too many different opinions about how they are supposed to work were given by the participants.

Generally, employees expect their managers and supervisors to be standing up for them and fighting for the issues that matter to them. If this does not appear to be happening, they will start to lose interest and become negative. It is important for managers to identify the legitimate requirements of their teams and to try to achieve these.

The answers discussed above, which were received from the questionnaire answered by the employees, clearly shows that they are aware of the hospital and departmental motivational efforts, and they are also aware of their own needs, and how these motivational factors can be used to influence them.

The employees were able to say precisely what their expectations are; for example, what they expect from their supervisors and hospital management, implementation of the OSD and how training opportunities should be handled.

In the next chapter the researcher concludes the study and gives recommendation on how the hospital can ensure proper implementation of these important and available motivational factors, to ensure optimal performance from the employees.



# **CHAPTER 5**

## **CONCLUSION AND RECOMMENDATIONS**

### **5.1 INTRODUCTION**

Motivated employees are expected to have both short and long-term effects on organisational performance. The short-term effects on the hospital performance would come from improved patient service as a result of the discussed motivators.

In this final chapter, general conclusions will subsequently be made. This will be followed by general recommendations regarding the study, as well as recommendations to managers planning to introduce the discussed motivation strategies aimed at employees' performance improvement.

### **5.2 CONCLUSION**

Survival and competitiveness of a labour-intensive organisation like Metsimaholo District Hospital depend on motivated and driven employees. The Department of Health, of which Metsimaholo is part of, has formulated strategies and policies in their quest to motivate the employees to perform their duties better.

Strategies discussed in the previous chapters prove that motivation of employees is a complex initiative. The study has also proved that different employees are motivated by different strategies; hence the researcher felt compelled to discuss different strategies in place to ensure that this study adds value to the running of the hospital.

Amongst the five strategies briefly, but meticulously examined, financial / salary policies and strategies have proven to have the greatest impact on employees' motivation and the reason for their better performance at Metsimaholo District

Hospital. It is clear that employees mostly want to be rewarded and recognized for their efforts. Nonetheless management should ensure that financial incentives, when used, should be integrated with other incentives, and interventions to create a more balanced approach to increase motivation needed for high performance.

Employee training is also of great importance in motivation. It has a direct impact on employees' performance, as the results of this empirical study show. Employees value training opportunities given to them, and management should ensure that employees are given the necessary training.

### **5.3 RECOMMENDATIONS**

#### **5.3.1 Assess the environment in which the hospital operates**

The public health sector is characterized by high volumes of patients, poor equipment and shortage of health care providers. In addition, the high level of unemployment in the Sasolburg area results in easy spread of disease and poor nutrition for the hospital clients/ patients. The hospital employees are faced with a mammoth task of caring for a community ravaged by HIV/AIDS and other diseases with limited resources. It is for these reasons that employee motivation is critical and should be emphasized to ensure better performance.

#### **5.3.2 Determine the performance gap**

Each employee's performance standards and expectations are outlined in their job description. Any deviation from the set standard should be critically evaluated.

#### **5.3.3 Money and employee performance**

The general concern is that salaries within the department are believed to be inadequate or inequitable when compared to salaries paid for similar work at other companies and, worse, compared to other countries. To be able to retain, attract and encourage a high level of performing employees, the Department of

Health should be able to pay competitive salaries to all categories of employees, especially the nursing and clinical staff.

#### **5.3.4 Performance Development Management System (PDMS)**

The hospital must find different ways to assess performance and to motivate employees to work, and separate money to job evaluation. PDMS should give a true picture of the performance situation without money interference, which currently seems to be the main focus for the evaluations. For example, instead of evaluating the employees twice a year, as PDMS policy requires, supervisors should evaluate employees for different aspects of their jobs on a continuous basis. The results of such evaluations should be communicated to the employees and corrective measures where performance is poor should be taken. Additionally, relevant training should be offered.

Alternatively, the hospital should introduce peer evaluation, whereby employees working very closely with other employees in a non-competitive environment can be evaluated by their colleagues or peers, because peers may be in a better position to evaluate a co-worker's performance. They can provide information that supervisors may not know and because of a lack of direct contact with the employee.

#### **5.3.5 Occupational Specific Dispensation (OSD)**

Implementation of OSD is a departmental initiative. The least that Metsimaholo as an institution can do is to give employees relevant information on the process. For the nursing personnel whose OSD implementation is almost finalised, the Human Resource Department should hold workshops to explain exactly how their OSD was implemented and assist in correcting any mistakes made, while all other clinical departments that still have to be evaluated according to the OSD, meetings should also be held to explain the OSD process, and it should be implemented on agreed dates and as per the bargaining council agreement.

### **5.3.6 Improve management - employee relationships**

Managers should be able to motivate workers to higher levels of personal expectation and individual commitment. This can be achieved if they allow the needs of their team to coincide with the needs of the hospital. Nearly everyone is influenced by the needs for job security, promotion, raises, and approval of their peers leaders, or managers.

Hough et al. (2008:287) state, "The organisation's leaders should be able to impart a common vision to the individuals in their organisation, as well as motivating them to work together as teams."

To translate expectations into appropriate action requires an understanding of the psychology of performance management. This entails ensuring the right context, such as the organisation being "a great place to work", and the right people being selected. If all of the above are in place, then performance management becomes a gentle day-by-day process of ongoing communication to focus people's efforts on their piece of the strategy.

#### **5.3.6.1 Reward good behaviour immediately**

Hospital management should not only reward employees' performance after PDMS assessment, but other means of encouragement should be exploited. Although a certificate, letter, or a thank you may seem small and insignificant, they can be powerful motivators.

The reward should be specific and prompt, supervisors should be able to recognise exceptional behaviour or efforts and reward this immediately, as rewarded behaviours are likely to be repeated, as mentioned in the previous chapters.

Employees are individuals; for that reason, managers should avoid generalising when giving praises, they should say exactly who and for what reason they want to congratulate the employees. In addition, they should help their subordinates.

Employees all make mistakes or need help occasionally to achieve a particular goal.

#### 5.3.6.2 Set the example

Managers and supervisors must be the role models that they want others to grow into – they should lead by example. Employees are also influenced by internal forces such as values, morals, and ethics. Likewise, the hospital needs good people in a wide variety of jobs. Managers should ensure their team is trained, encouraged, and has opportunities to advance. Also, they should ensure that the way they conduct business has the same values, morals, and ethic principles that they seek in others.

#### 5.3.6.3 Develop morale and team spirit

Morale is the mental, emotional, and spiritual state of a person. Almost everything one does will have an impact on the organisation. Employees should always be cautious how their actions and decisions might affect their own and others' morale. It is the consciousness of the organisation that allows the people within it to identify with the feeling of the organisation.

The ultimate should be to create a working environment where people enjoy spending a part of their lives and offer their skills and talents; not a place where they cannot wait to get away from, which results in high labour turnover. This should be done by holding meetings with employees whereby performance problems can be discussed and solved, and where team spirit should be emphasized.

#### 5.3.6.4 Encourage a motivational climate

According to Coetsee (2002: 141), a motivational climate is an environment which focuses people, energises and encourages them, unleashes their potential, creating opportunities to be successful. Hospital leadership, together with individual employees, must create a motivational climate within the hospital; this can, for example, be done through team-building exercises.

### **5.3.7 Encourage individual employee motivation**

Most of the hospital key employees like doctors, pharmacists and nurses are professionals whose performance of their duties has an impact on other people's lives. Management of the hospital should work towards increasing employees' pride in their work. Increasing worker pride and motivation are possible when recognition is developed, both internal to the hospital and external with the community. Greater linkages and accountability to communities can be a good initiative for improving performance and increasing community feedback and thus workers' motivation.

### **5.3.8 Reinforce training benefits**

Workplace and on-the-job training should be promoted; the hospital management should refrain from seeing training as an expensive exercise that must take place outside the premises of the hospital. Employees should be encouraged to learn from each other and from their supervisors.

The transfer of skills can also be done through job rotation, and job enrichment. Employees can be periodically assigned to alternating jobs or tasks; for example, at the hospital the nursing personnel can benefit from job rotation if the low rank enrolled nursing assistants will be rotated in different wards. For example, maternity, pediatric and theatre wards would not only benefit them in having experience in different departments but can also give them a chance to realise their field of interest in preparation for their further studies. In the process they may be able to decide which fields they may specialize in when they get a chance to further their studies.

The hospital should also use other opportunities for training that are available; for example, the head office has specialists in different departments and fields, who are willing to offer training for free to the hospital staff, such as infection control. Also, different departments can benchmark from larger level 2 and 3 hospitals within the province.

Nonetheless, external training should be planned and budgeted for by the hospital, based on employee needs as guided by the skills development policy of the FSDoH. Care should be taken that equal opportunities for relevant training are given to all employees.

In addition to the above, professional employees like doctors, nursing personnel, other clinical personnel and administration personnel should be encouraged to join professional organisations in their respective fields; for example, the doctors can belong to Vaal Independent Practitioners Association (VIPA). These organisations help them keep abreast of new theories and principles; also in these forums they discuss common problems and challenges facing their profession and they learn about advances in their field.

#### **5.4 SUGGESTIONS FOR FURTHER RESEARCH**

The researcher would advise the department, especially the head office's research department, to conduct further research on these motivational factors and policies individually. To have the required impact, the research should be done at all hospitals within the FSDoH. The research should include a comparison of the situation in the public sector to a few private hospitals.

This study is one of the first of its kind to examine how a broad range of motivational determinants operate in developing and transition public health sector environments. It has provided some key insights into the complexity of work motivation and raised additional questions for further study.

#### **5.5 CONCLUSION**

Health sector policy makers and health facility managers must recognize the importance of work motivation in reaching sector and organisation goals, and they must understand the links between their current policies and worker motivation.

The results suggested that improving motivation to perform well will require multiple interventions. Hence it is very important to ensure that different motivational strategies are in place and implemented correctly.

In a hospital set-up it is important that employees are motivated as their performance affects the wellbeing of patients and the community in which they operate. The researcher concludes that different external motivators (motivational factors) should be used simultaneously to stimulate employees' motivation as different employees and people in general are motivated by different things. For example, other people are motivated by money (market related salaries, performance bonuses, overtime payments); others by a conducive working environment (good supportive relationship with managers, supervisors and colleagues and also by promotional possibilities); others by growth and learning opportunities (training); while others are motivated from within themselves, self-driven and take responsibility for themselves and their performance (internal locus of control). Others are motivated and credit others for their success or failures (external locus of control) which all have an impact on the way they perform their duties and to the overall productivity of the company.



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## APPENDIX A: QUESTIONNAIRE

1. What do you understand by the term motivation?

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2. What motivates you to complete some tasks and not others?

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3. How could this information be used to improve your performance in these tasks?

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### Questions about the hospital

	1	2	3	4	5
<i>Please score on the scale of 1 to 5</i> <b>1 being the lowest and 5 the highest score</b>					
4. Overall Metsimaholo is an enjoyable and satisfying place to work	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
5. Working in this hospital gives me a chance to work with exciting and challenging people	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
6. I have strong sense of pride and accomplishment in the work I do at the hospital	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
7. My supervisor manages me in a way that supports my success and increases my commitment to the hospital.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
8. There are enough opportunities for Development/training and promotion that I can foresee a continuing career in the hospital.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

**OSD (For nursing personnel only)**

9. In your opinion has performance of workers improved because of the implementation of OSD so far?

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10. What would you suggest the departments should have done differently in the implementation of OSD?

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11. Do you believe OSD has achieved its intended objectives?

12. Does the nursing personnel perform their duty better since the introduction of OSD?

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13. What problems encountered during the implementation of Nursing personnel's OSD do you believe should not be repeated during the implementation of other clinical categories?

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**PDMS**

14. Is PDMS is achieving its intended objectives of encouraging better performance?

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15. To be able to achieve its intended purpose how would you suggest PDMS be implemented

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16. Is the assessment for PDMS correctly done by the supervisors?

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17. Before the department used to give bonus money to all staff, then PDMS was introduced which of the two methods do resulted in better overall performance?

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18. Do you as an employee associate the results of your PDMS assessment with your performance

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19. Do you believe during the PDMS you are fairly accessed in relations to your daily job performance?

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20. Do you look forward for your appraisal? Please give reason why you do or you don't

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### **Training**

21. Is the hospital training plans adequate? (Please give reasons)

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22. What kind of training does the hospital need to plan for to improve motivation of staff and therefore performance?

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23. Do you perform your duties better after you have undergone training and workshops?

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24. How often should staff be send to training to ensure better performance?

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25. Are you given enough or fair opportunities for training?

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## Work Situation

*Please give rating for each statement*

	Always	Most of the time	Sometimes	Almost never	Never
26. Are you satisfied with your salary?	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
27. Are you satisfied with the promotion possibilities in the hospital	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
28. Are you satisfied with the opportunities for you to contribute to the overall success of the hospital	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

## Management and Supervisor

	Always	Most of the time	Sometimes	Almost never	Never
29. Management recognizes Outstanding performance	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
30. Management rewards Outstanding performance	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
31. Management shows Concern about the welfare of the personnel	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
32. Management communicates effectively with the personnel about their performance	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
33. Management is generally efficient.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
34. Management achieves its objectives	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

	Very good	Good	Average	Very Poor
<i>Please give rating for each statement</i>				
35. Your access to your supervisor	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
36. Your supervisor's use of your Opinion and views	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
37. Your supervisor's fairness in appraising your performance	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

38. Do you think management of the hospital is doing enough to motivate employees?  
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39. What should be done to motivate employees?  
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40. What would make you perform your job better and service your clients better?  
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41. As an employee are you motivated to execute your duties at work? (please give reasons)  
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42. What other motivational activities would you suggest, management should implement to ensure better performance  
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### Employee benefits

43. Do the hospital benefits motivate you to perform your job better?  
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44. What motivates you to do overtime when requested to do so?  
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**Locus of control**

45. Is your manager or yourself responsible for your motivation to perform your duties. (Please give reasons)

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46. Who is responsible for your promotion and advancement in your job between you and your manager?

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*Thank you for your time*