MOTIVATION AS A DETERMINANT OF THE PERSONNEL MANAGEMENT SYSTEM IN MEDICAL INSTITUTIONS

Abstract. This study explored the motivational factors of effective management of medical personnel. In this line, the authors highlighted that motivation activates human resources. It is an integral part of the effective management of a medical institution. The main theoretical approaches of foreign and domestic scientists regarding the understanding and interpretation of the personnel management concept were considered. This paper characterized the main employee motivation theories under the procedural, substantive, and behavioral approaches. The authors highlighted the main components of the personnel management system in a medical institution and presented its structure. It was found that motivation is the determinant in the personnel management system. An effectively developed staff motivation system reveals the staff's potential for achieving the organization's goals. Besides, it provides an opportunity to meet the needs of the employee. The obtained results identified the main factors of low motivation of medical staff, which lead to a deterioration in the quality of medical care with all the ensuing consequences. The authors concluded that setting surcharges for employees would interest employees in achieving quantitative and qualitative indicators and strengthening responsibility for providing medical services. The findings showed that the most crucial internal motivation factors provide up to an 80% increase in productivity in the organization. The article presents the components of the motivational mechanism of personnel management in a medical institution. The study findings are of practical importance because they could be used to increase the efficiency of the personnel management system and improve social and labor relations between employees and employers, ensure the achievement of quantitative and qualitative indicators, strengthen responsibility for the quality of medical services. The medical institution will be able to receive more profits, consolidate its position in today's competitive market environment, and create a positive image.

Keywords: personnel management, employee, motivation, medical institution, wage.

Introduction. Nowadays Ukrainian healthcare system is undergoing large-scale modernization changes, including medical salary raises to ensure decent working conditions. One of the main directions of healthcare reformation is to motivate medical workers to achieve specific job performance and deliver quality medical care. The healthcare transformation changes the regulatory status of medical institutions, forms of ownership, the type of relations between market participants, financial flows, and salaries. An effective remuneration system must consider the interests of different groups, social protection measures, and provide employment and remuneration for work. The priority task of the medical institutions is to deliver...
quality medical services, which primarily depends on the availability of labor resources, resource efficiency, and time management that will be spent on patient treatment. Proper planning of the medical institution's staff requirements is a significant factor in improving the quality of medical services, cutting staff costs, and reducing medical equipment downtime. Under such conditions, creating a personnel management system is the main task facing the management service of every medical institution that has moved to new funding conditions. Thus, the critical factors in ensuring its effectiveness are motivation and incentives.

**Literature Review.** Foreign and domestic economic literature presents different scientific approaches to determining motivation and its role in personnel management. The theories are grouped by their functional purpose and impact on personnel management efficiency. The academic community determined the approaches to productivity growth and analyzed effective motivation and stimulation factors. Personnel management is a complex, multi-purpose and multifaceted phenomenon. Desler (2014) pointed out that personnel management is a part of management that concerns employees and their relationships within the enterprise. It is carried out to achieve two primary and interrelated goals: improving organization efficiency and working life quality. Armstrong (2017) noted that personnel management is a strategic and consistent approach to managing the staff. It stands to mention that employees are the most valuable asset in an organization since they make individual and collective contributions to achieving the organization's goals and maintaining a constant competitive advantage. Milkovich and Boudreau (1997) proposed considering personnel management as a series of decisions related to employees that affect the efficiency of employees and the organization.

Galenko (2009) defined personnel management as a set of interrelated economic, organizational, and socio-psychological methods that ensure labor efficiency and enterprise competitiveness, i.e., operates with the purpose and methods of achieving this goal. Danyliuk et al. (2006) believed that personnel management is part of the human resource functional sphere as the primary organization's mechanism. Dashko (2016) noted that the current conditions of a market economy necessitate the development of fundamentally new approaches to personnel management, considering the employees as the central reserve of the enterprise.

According to the approaches, existing motivation theories of employees are divided into procedural, substantive, and behavioral. The procedural approach to motivation theory includes the theory of expectations (Vroom, 1964) when a person focuses his efforts on achieving a goal to the extent that he assesses the probability of receiving a reward for it; Adams's theory of justice, when employees compare their rewards with the expended effort and with the rewards of other employees who perform the same work; Festinger's theory of social comparisons, when the individual achievement could be assessed based on comparing himself with other people, and not based on absoluteness.

The substantive approach of motivation include are Bentham's theory of carrot and stick determined by the simplicity of motives and incentives aimed at achieving this goal; Taylor's theory of scientific management assumes that the work should be paid in direct proportion to the number of manufactured products, and remuneration should be paid immediately after its implementation; Maslow's theory of needs defines that needs are divided into primary and secondary, and people's behavior is characterized by lower-order needs, where after their satisfaction the motivating effect ceases.

The third approach of behavioral theories is revealed through the McClelland's theory of acquired needs, which involves the study and description of the impact of achievement needs (human desire to achieve goals), power (formed under the influence of learning and life experience, and manifested in the desire to control other people); resources and processes) and complicity (the desire for friendly relations with others) on human behavior that forces him to act; Herzberg's two-factor theory rests on the needs of two groups: the needs of motivation and the needs associated with the factors of working conditions;
Herzberg's theory, according to which the presence of factors of working conditions only prevents the emergence of feelings of dissatisfaction with work; Shane's theory, according to which the motivation of employees is provided by relevant factors (economic, social, etc.).

Studying the very concept of «motivation», scientists supplement it with various meaningful accents and find their own approach to the problem of motivation. However, given the numerous scientific studies, business leaders must develop their own staff motivation system, considering the peculiarities of its activities.

**Methodology and research methods.** This investigation applied the task methods of analysis and synthesis to define and clarify the essence of basic concepts, systematize concepts, factors of employee's motivation to work; grouping to determine the tools of medical staff motivation; induction and deduction to identify problematic aspects; optimization modeling to justify areas for improving the motivation system; logical analysis to formulate conclusions. The determinant of the personnel management system is the motivational component toward innovative and productive activities aimed at achieving personal and MNP goals. Quantitative and qualitative characteristics can characterize the personnel potential of medical institutions. Noteworthy here, quantitative characteristics include composition, number of employees, structure, service length, age, staff turnover, qualifications, profitability, and productivity. Qualitative characteristics are employees' physical and psychological condition, the ability to adapt, working conditions, intellectual, spiritual, creative, and ethical development of man, qualifications, and organizational potential. Priority in managing this potential is given to economic forms and methods (finance, credit, and monetary levers) that stimulate the wage system.

**Results.** The acquired autonomy of medical institutions (obtaining the status of municipal non-profit enterprises (MNP) needs to build internal systems and management processes that were absent or governed by unified schemes from external relevant regulations. The priority of effective management of the medical institution and the healthcare sector, in general, is the management of human resources development and solving problems related to improving the quality of public healthcare.

On the other hand, the low motivation factors of health care workers include the inconsistency of training to the needs of practical health care and the tasks of restructuring this type of economic activity, lack of social protection of healthcare workers, lack of continuous training and introduction of new methods of remuneration. All of them lead to a deterioration in the healthcare quality with all the ensuing consequences. Dissatisfaction among health workers with their socio-economic status affects healthcare quality. Most health workers believe that the current salary does not correspond to the work performed and does not ensure a decent standard of living. However, it stands to mention that it is planned to increase funding to an all-time high for healthcare in 2022 (200 billion UAH), while a corresponding increase in salaries for doctors would be at least up to 20 thousand UAH, nurses - at least up to 13.5 thousand UAH within the wage fund (Stolyar, 2020).

Profound transformations in healthcare, first of all, the acquisition of autonomy by medical institutions in administrative activities and the ability to raise funds from various sources, would allow fuller and optimal using human resources of medical organizations, including. The manager's skills transform human resources into a competitive advantage and ensure goal achievement.

Among the most important reasons for the existing personnel management deficiency is the imperfect system of work motivation. The study showed that the imperfect system of work motivation is characterized by predominately formal procedures, rules, and compliance. At the same time, such a bureaucratic approach does not meet the workforce’s expectations and does not encourage self-realization, improvement, or interest in the results of the enterprise. In the absence of doctors’ motivation, there wouldn't be quality services, modern standards, and medicine development. To reduce the severity of existing problems in the health care system, to some extent, by using all means of motivating professional activities aimed at increasing productivity and resource management.
Today this system of planning the staff of medical institutions budget sector (which are not MNP) does not allow for their rationalization respectively to the needs of patients (Bogdan et al, 2018).

All relations between the employer and employees regarding wages are regulated by current labor legislation: regulations, general, sectoral, and regional agreements, and collective agreements. Thus, in the cooperative understanding of the MNP, the parties may systematize the requirements of labor legislation for such a particular medical institution and establish forms of remuneration, tariff rates, ratios of tariff categories, salaries, and additional allowances and surcharges (Ul'rikh, 2007).

Accordingly, the MNP independently developed remuneration systems, which were agreed upon and approved by the local manager (the owner of the MNP). Besides, wages are not tied to the wage scale of the budgetary institution but are set in the collective enterprise agreement. In turn, the MNP provides various opportunities to motivate its staff:

- increasing salaries individually;
- raising certain positions in the ranks;
- changing the doctor's salary;
- establishing special surcharges, bonuses, and salary supplements for doctors and other employees;
- disposition of MNP funds to those employees who have made the most significant effort (annual bonuses).

On work experience, accrued wages include all structural wage components: basic wages (set in the form of tariff pay (position and monthly salaries), additional wages (including extra charge, surcharge, guarantee, and compensation payments) statutorily required, in particular, an additional surcharge of up to 300% of salary position salary / with rises / including the statutory mandatory surcharges and allowances. This study suggests that the surcharges would increase the employees' interest in achieving quantitative and qualitative work results and strengthening responsibility for medical services. Besides, the amount of financial support from local budgets should be considered, especially for staff motivation (Dessler, 2014).

According to expert opinion, a rational system of staff motivation helps to increase work efficiency by an average of 40%. Besides, the most effective levers are internal motivation factors. They could provide up to an 80% increase in productivity in the organization. Therefore, the most important for the medical workers could be intangible incentives: motivation from patients, a comfortable psychological environment, and respect for team members and others. Effective staff motivation is based on the institution's strategy, distribution of responsibilities, set of incentives, and criteria for evaluating staff and departments (Korlén et al, 2017).

The existing motivational practice of medical staff prefers formal procedures, rules, and norms. However, they do not meet the workforce's expectations and do not encourage self-realization, improvement, or interest in the results of activities.

The right influence of the direct and indirect motivation methods allows employees to carry out their work intelligently and effectively while achieving the best results and increasing productivity.

Based on the above, the main task of the personnel management system is to form a quality mechanism for motivating and stimulating staff because it affects employees, intensifying their activities to increase productivity and efficiency. Figure 1 shows the components of personnel motivation management in medical institutions.

The motivation system should be transparent and understandable to eliminate employees' feelings of injustice and comparisons. Tangible and intangible incentives should complement and enrich each other. Thus, direct and indirect motivation methods should be integrated. The motivation mechanism directions should be easy to understand and accessible to both the employer and the employee, and fair under the appropriate conditions of its implementation. Motivation methods and tools should be flexibly changed and adapted to change the economic and financial situations, activities, and other reasons.
Goal: improving staff performance and maintaining human resources.

Task: improving the corporate culture and social responsibility; ensuring personal development and career growth; increasing employees’ motivation and involvement in the labor process; stimulating employees to form professional competencies and soft skills and meet potential opportunities; creating conditions for employee satisfaction with the workplace.

Principles: formal and informal personnel management (motivation, the influence of power, mentoring, trust, responsibility, etc.).

Techniques: direct motivation (material/monetary and intangible incentives) and indirect motivation (social, moral, socio-psychological)

Methods: direct motivation (material/monetary and intangible incentives) and indirect motivation

Specific tools: bonuses, allowances, discounts, etc.

Results: economic efficiency, social efficiency, increasing motivation, improving the quality of services provided, etc.

**Figure 1. The elements of the motivational mechanism of employee management in the healthcare facility**

Sources: developed by the authors.

**Conclusions.** The staff of a medical institution is a strategically valuable resource that needs to be developed and improved within the personnel management system. The study findings showed that the improvement of the personnel management system in medical institutions regarding creating an effective motivational mechanism should rest on measures that consider modern management methods, ensuring the achievement of quantitative and qualitative indicators, and strengthening responsibility for medical services. This will help increase productivity by resolving and eliminating shortcomings that arise in the process of industrial relations, creating a favorable atmosphere in the workforce and the formation of the corporate culture. It will also allow employees to form new skills and abilities in the learning process, improve staff skills, and develop creative potential. The medical institution will be able to receive more profits, consolidate its position in today's competitive market environment, and create a positive image.

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Мотиваційна складова як детермінант ефективного управління персоналом в медичному закладі. Станом розвинення дослідження мотиваційних чинників ефективного управління персоналом медичній галузі. Підтримка. Розглянуто значення мотивації як ключового засобу активізації кадрового потенціалу та невід'ємної складової ефективного управління медичного закладу. Сьогодні в Україні система охорони здоров'я знаходиться у процесі масштабних модернізаційних змін, які стосуються стимулювання. Розглянута мотиваційна складова як детермінант ефективного управління персоналом в медичному закладі.

Keywords: управління персоналом; працівник; мотивація; медичний заклад, зарплата.