

# Public Service Rewards and Performance of Health Workers in Busia District Local Government, Uganda

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## Abstract

*This article examines the effects of public service rewards on the performance of health workers in Busia District Local Government (DLG) in Eastern Uganda. The problem of concern was that while Busia DLG was improving on the reward packages for health workers with the aim of motivating staff, their performance was not improving. This poor performance was evidenced mainly through absenteeism, neglect of duty, and poor records management. Therefore, the authors hypothesised that there is no significant effect between rewards and the performance of health workers in Busia District Local Government. The study was a quantitative one where data were collected using questionnaires administered to 200 randomly selected health workers in Busia DLG. After analysing the results through both descriptive and inferential statistics the study established that Busia DLG administers rewards that have the potential to increase and improve the performance of health workers. Besides, the study revealed that non-financial rewards are key in increasing health workers' performance. However, the scale of rewards and the way in which they have been administered in Busia DLG is riddled with problems. Firstly, the salaries and gratuities are still lower than the expectations of health workers. Secondly, on non-financial rewards, most supervisors do not empower their subordinates to run business and even they rarely appreciate the work done by subordinates. The study concluded that while a positive increase in financial rewards can lead to an increase in performance of health workers; the enhanced rewards can fail to stimulate performance if the amounts are still perceived by recipients as insufficient. Furthermore, while a positive increase in non-financial rewards will lead to an increase in performance of health workers the availability of such rewards if not equitably administered may discourage certain staff from performing. The study recommends that Busia DLG scales up financial rewards for the health workers as many of them believe that the financial rewards and benefits they get are not commensurate with their efforts. In addition, Busia DLG should train the line managers in health units on the need to empower their subordinates to do work and also appreciate the work done by subordinates.*

**Key words:** Public service rewards, performance of health workers, health service, financial rewards, non-financial rewards, Busia District

## Introduction and background

Performance of health workers in Busia District Local Government (DLG) in Uganda is apparently below expectations of the clients. In this article we explore and explain how the reward administration system connects to this poor performance. Actually, the world today faces an unprecedented performance crisis, especially in the public health service where there

is a lot that needs to be covered with limited resources (Nabukeera, Ali & Raja, 2014). The crisis affects poor, emerging and developed countries in different measures, giving rise to the desire for enhanced efficiency in public health service delivery, and effective mechanisms of evaluating the determinants of performance in the public health service (Ministry of Health [MOH], 2008). In lieu of the above facts, the Government of Uganda has been prioritizing salary enhancement for public health officers (e.g. for the financial year 2018/2019) based on cadre and level of education, as well as allowances, in order to improve performance. Just like any other district Busia DLG has been gaining from the enhanced rewards.

However, successive supervision reports have indicated consistent poor performance among health workers in Busia, with an endemic absenteeism problem and neglect of duty as revealed by the District Health Team's Integrated Support Supervision report for March 2018. A report by District Reward and Sanction Committee for December 2018 indicated that five health workers including an in-charge of Buteba Health Centre III were interdicted because of absenteeism. Reports of underperformance of the health sector in Busia and other districts raises the question on the effectiveness of the public service rewards system on motivating health workers to perform.

### **The problem at Busia District Local Government**

The performance of health workers at Busia DLG is questionable. Successive supervision reports have indicated consistent poor performance in Busia District, with an endemic absenteeism problem and neglect of duty among health workers (Busia District report 2018). Yet, as Vance (2012) observe, the individual performance of healthcare staff is the bedrock of the general health sector performance and it is important to have a clear understanding of the reward systems that motivate health workers. To motivate staff, the government of Uganda prioritized salary enhancement for public health officers based on cadre and level of education for several financial years (e.g. financial year 2018/2019) as well as lunch and consolidated health allowances, in order to improve performance.

In spite the government intervention in the reward system, successive supervision reports have indicated consistent poor performance among health workers in Busia District. For instance, a report by the District Reward and Sanctions Committee for December 2018 revealed that five health workers including an in-charge of Buteba Health Centre III were interdicted because of absenteeism. Attendance analysis sheets for October 2018 also indicate that at least five to six health workers had absented for more than five times in that month from the health centres III in the district without a clear reason. Furthermore, an average of 39% staff absenteeism rate was recorded in 2018 and it was reported that health workers abandon their duty to engage in other income generating activities during working hours (Masafu General Hospital, 2018). Reports of underperformance of the health sector in Busia raises questions on the effectiveness of the public service rewards system on the performance of health workers. This study, therefore, investigated the relationship between the public service reward systems and health workers' performance in Busia DLG with a view to identifying areas and ways for government to sort out health sector performance problems. An examination was made of

both the financial and non-financial rewards for health workers in the District. To this end, two hypotheses were generated to guide the study.

## Hypotheses

The following null hypotheses were tested for the purpose of the study:

1. **H<sub>0</sub>**: There is no significant effect between financial rewards and the performance of health workers in Busia district local government.  
**H<sub>1</sub>**: There is significant effect between financial rewards and the performance of health workers in Busia district local government.
2. **H<sub>0</sub>**: There is no significant effect between non-financial rewards and the performance of health workers in Busia district local government.  
**H<sub>1</sub>**: There is significant effect between non-financial rewards and the performance of health workers in Busia district local government.

## The expectancy theory

To analyse the reward systems and performance, the Expectancy Theory was used to guide the study. The Expectancy Theory as propounded by Victor Vroom in 1964. Vroom described Expectancy Theory as a process that explains motivation, its occurrence, the factors that influence it and the connection between those factors. Vroom's explanation of this theory leans towards the idea that people's actions are goal-oriented or a means to certain clearly-defined goals. Vroom stated that people are inclined to act in a certain manner, selecting those actions that can potentially yield the highest benefit. Similarly, Kreitner and Kinicki (2007) posits that people are compelled to behave in a certain way in anticipation of a series of outcomes. Besides, the Expectancy Theory asserts that the intention to take a given action is strengthened by the level of certainty of expectation that the action will result into a predetermined outcome to the person getting involved (Robbins, 1993). Consequently, people's behaviour is directed towards the expected personalized goals. The Expectancy Theory further states that the choice that a person makes out of the available alternatives is related to the contemporary psychological events taking place within the confines of that choice (Vroom, 1964). Accordingly, there are three factors that determine motivation (and therefore performance), namely: expectancy, instrumentality, and valence; where human beings are motivated by the belief that there is a link between their effort and the resultant achievement.

In this article, the Expectancy Theory was applied from a three-stage relationship where the rewards offered by Busia DLG are translated into the health worker's personal goal which then drives personal effort towards achievement of the health service delivery at hand. Actually, this theory was used because it attempts to explain the effect of rewards on employee performance.

## The meaning of performance of health workers

Health worker performance is the ability to render quality health care. The presence, quality and productivity of individual health workers are crucial in measuring their performance (Leonard & Masatu 2010). Among others, it implies that the time health workers engage with clients is part of the performance equation in that they are likely to be attending to clients. As Mliga (2000) points out, the three classes of health workers' features are: competence, capacity and performance. In each class, is defined in line with input, intermediary output and output within the health service delivery process. However, performance remains a key feature because it is what directly affects the clients involved in seeking health services.

Performance of health workers needs to be measured. Measuring implies that health workers can perform a service and be able to provide statistical connection in between capacity and performance. According to Leonard and Masatu, (2010), measuring performance is done by examining the best practices done by health workers during a given period of time; hence, a quantification of a proxy for their capacity and by proving that a particular set target is met. As Bingham (2016) notes, with extra effort, health workers have the capability to significantly increase their performance without supplement in terms of on-job-training or having access to equipment hence providing for the effect of other factors such as rewards on the performance of health workers.

## The Concept of reward

In motivational literature, reward is the compensation that an employee is given by the organization in exchange for services that he/she offers (Ajila & Abiola, 2004). Rewards are a mechanism of managing expectations, the value that employees hope to realize from their employers in exchange for what they contribute towards the organization's success, and the value that employers' expect to realize from the payments and incentives they give to employees. Rewards drive the acquisition and retention of the requisite workforce to accomplish the set organization's goals. Carraher, Gibson and Buckley (2006) argues that an effective reward system is essential for every organization which is related to productivity. Organizations need to take appropriate procedures and policies and institute reward mechanisms which increase the performance of their employees.

Rewards can be either intrinsic or extrinsic. Intrinsic originate from within the job setting and are enjoyed by those individuals who are able to successfully accomplish their tasks or achieve their intended goals. Intrinsic rewards are intangible benefits such as autonomy at work, the delegation of authority and participation in decision making processes intended for the psychological benefit of the employees (Williamson, Burnett & Bartol, 2009). Intrinsic rewards are intended to meet the employees' esteem needs and are intended to give them a sense of belonging and opportunities for advancement within the organization. Employees feel a sense of worth when they accomplish their tasks effectively and are verbally appreciated for it (Nawab, Ahmad & Shafi, 2011). Even an interesting job makes an employee to feel intrinsically rewarded.

On the other hand, extrinsic rewards are tangible benefits originating from an environment that is separate from the job task itself, and they include: salary and benefit payments, bonuses and incentives, job contract, job security, and promotion, among others (Badrinarayan & Tilekar, 2011). Extrinsic rewards are intended to meet the income needs for human survival, to instil a sense of stability or security on the job and to recognize excellence at work (Hellriegel, Jackson & Slocum, 1999). Extrinsic benefits provided by the organization include salary, recognition and job security. The value of rewards and incentives is in their ability to enable people to meet their needs and motivate them towards achieving certain goals. Actually, in organisations rewards can also be categorised in terms of financial or non-financial.

#### *Financial rewards and the performance of health workers*

Financial rewards may be in form of salaries, efficiency wages, bonus, allowances, incentives, pension, and gratuity among others. According to Danish and Usman (2010), financial rewards are among the most important devices for managers in motivating employees and as well very significant in influencing their behaviour to attain bigger organization goals. Financial rewards contribute towards the productivity of an employee and eventual organizational performance. For that reason, management needs to pay attention to financial rewards if employees are to perform.

Importantly to consider under financial rewards are salaries, this can be understood as a way of motivation. The role of money in satisfying needs and reducing anxiety is well documented (Malhotra, Gilchrist & Lucaet, 2013). Bratton and Gold (2007) present their opinions about human beings and employee motivation. In the first case, as also advanced by Taylorism, people are basically lazy and work-shy, and that such employees are encouraged to work because of external stimulation such as money. Besides, some researchers (e.g. Larkin, Pierce & Gino, 2012; Leonard & Masatu, 2010) argue that money (in form of salary) is a form of motivation that is viewed by many people as a goal in itself and as a means of making ends meet.

However, some studies have indicated that money is not a long-term solution for employee's performance. Companies therefore ought to think carefully not just how much money is given to employees in form of salary but also how this salary is dispensed so that it may be structured in ways that will be accepted and reciprocated (Malhotra, *et al.*, 2013). In addition, a set standard for employee performance can be put in place, for example number of community outreach sessions conducted and if a set standard is reached, the individual receives a pay increase (Ajila & Abiola, 2004). Such an increase can be commensurate with the level of achievement.

In addition to salary, financial rewards include allowances, and bonuses for exceptional performance or working good conditions (Mathis & Jackson, 2009). For instance, if an employee's performance is assessed as satisfactory in performance review, he could gain a periodic salary increase. In case the performance is deemed to be so exceptional, he could be rewarded with a bonus. And, if performance is very good or even excellent an employee could be awarded a performance allowance for the duration of one year or more (Malhotra, *et al.* 2013). In exceptional circumstances, this allowance may be awarded for a longer period.

If an employee is required to work irregular hours, he may be entitled to an allowance. It is important therefore, for organizations to give allowances for they make addition income and motivation for employees. The allowance can be withdrawn if the reasons for it no longer apply.

Furthermore, gratuity and pension are key elements to consider in the motivation of employees in public sector. Gratuity is the total lump sum of money that an employee gets from an employer for providing services in the organization. Every country has the amount of gratuity limit that is paid out by an employer to the employee. Usually gratuity is paid when an individual ceases to be an employee of a public organization but under certain circumstances it may be paid out before meeting the set conditions (Government of Uganda, 2006). Meanwhile, pension which is offered after retirement may be paid on monthly basis until an individual dies.

Another essential point to consider are incentives. Smith (2000) defines incentives as payment schemes that influence work performance of employees through providing money to them or one that is approximate to cash reward plus basic remuneration. The intention of giving incentives to employees is to change their negative attitude towards the work behaviour, stimulate employees to increase their efforts in performance and as well have the same similar perception with the organization about performance (Rao, 2010). Armstrong (2016) argues that those who contribute more in the organization should receive more hence the need to recognize achievement with financial rewards.

Another financial reward is the commission-based pay. Commission-based pay motivates employees to perform to their full potential. According to Herman (2005), commission-based pay assists organizations to determine performance of employees based on the level of cadre and responsibility. Chiang and Birtch (2006) further explain that commission-based pay helps in attracting and retaining employees, encourages employees to give in more efforts and therefore be able to improve on performance. It is also argued that motivation of staff can be achieved when management do their best to encourage satisfiers and discourage demotivators at places of work (John & Darry, 2005). However, much as commission-based pay acts as a tool for motivating staff, at times it may be a demotivator especially where they sell less after toiling so hard since the logic behind this approach is that one's earning is based on sales. This article inter alia investigates whether or not financial rewards have had an effect on health workers' performance in Busia DLG.

#### *Non-financial rewards and the performance of health workers*

Non-financial rewards are also called non-monetary rewards. Non-financial rewards include recognition, promotion, appreciation and merit certificate, empowerment and flexible work schedules. Pitts (2005) defines recognition as the exhibition of gratefulness for high performance, contribution or attainment towards an objective: it is usually in addition to pay. It has also been argued that recognition inspires employees to perform to their full potential (La Belle, 2005). Almost every employee feels good whenever he meets the set targets and would wish to share his success with others so that these achievements are recognized and as well as celebrated.



Another significant reward to consider is promotion. An organization hires staff with the intention of getting the best minds that can stir it to greater heights and in turn an employee feels he should be rewarded with promotions for excellent performance. Promotional opportunities keep an employee for a long time in an organization hoping for the best in the near future hence job satisfaction and increased performance (Cascio, 1993). Promotion is good for both employees and employers because it benefits both when positive outcomes are realized. For instance, opportunity for promotion can stimulate performance as employees aspire to impress their supervisors with superior work outputs. As Prince (2005) notes, for purpose of gaining and maintaining competitive advantage over others, organizations require talented, experienced and productive employees so as to be able to show their competencies, this can be achieved through promotion.

Similarly, appreciation and certificates of merit play an important role to the performance of employees in the different organizations. Alam, Shaheed, Sahabuddin, and Akter (2013) define appreciation as an acknowledgement in a formal or informal manner that is directed to an individual or group of persons or organization congratulating them for exemplary performance in supporting the organization's set goals and values which go beyond usual expectations. Formal appreciation may involve issuance of certificate of merit. The main idea behind this is to communicate to staff that their efforts add value to the organization and to make them feel recognized and valued. As Lewis (2013) reveals, employees who are appreciated for their contribution in the organization tend to have more trust, and are willing to take up new provocations ahead of them and to accomplish the tasks on schedule.

For organizations to gain trust from staff, appreciation is a factor that should be emphasized but ignoring it makes employees to have low self-esteem and as a result this may have a negative implication to an organization. To Alam *et al.* (2013) appreciation goes beyond a mere 'thank you' to promoting specific behaviour that aims at lifting organization's name above other institutions. Luthans and Stajkovic (2000) agree that appreciation is an important human need. So, by exchanging appreciation for good work is a clear signal that one's work is valued and recognized by others thus a sign of satisfaction and motivation.

Furthermore, flexible work schedule is an aspect under non-financial rewards since it contributes to the performance of employees. Flexibility raises workers' morale when they return at their duty stations and with fresh minds: employees have positive attitude towards work leading to improved organizational performance. Under flexible work schedules, as Roberts (2005) explains, employees are provided with freedom to work as per their preference; they have time when they concentrate on their desks; and time when they have days or hours off. This means they can do private work when they are not at the work stations and then return to their organizations with fresh minds ready to work. With this arrangement the organization is able to increase on performance as fresh minds settle and give results. For such reasons, the study endeavoured to explore the effects of non-financial rewards on health workers' performance in Busia DLG.

## Methodology

The study adopted a cross sectional survey design. The population of the study was made up of staff of the health centres II, III, IV and the District Hospital as well as the staff of the District Health Office in Busia district. A sample size of 212 respondents was drawn from a population of 251 health workers using the Krejcie and Morgan (1970) Table of Sample Determination at 5% error tolerance. Stratified sampling technique was employed to select the health workers from the list of government health centres and the District Hospital in Busia district. The sources of data were both primary and secondary. The primary data were collected using questionnaires while secondary data were obtained from journals, textbooks, internet, Busia District Human Resource records, and reports from the Director of Health Services, Busia District. The questionnaire was a structured one designed with a five-point Likert Scale format. The collected data were analysed using Statistical Package for Social Sciences (SPSS 26.0 version). The presentation of data was done using both descriptive and inferential statistics. The corresponding hypotheses were tested with simple linear regression at 0.05 alpha level with the aid of SPSS in a computerised analysis.

## Presentation and analysis of results

A total of 200 questionnaires were completed and returned out of 212 distributed, which represented a response rate of 94% of the targeted sample. The data obtained from the questionnaires were analysed and presented using both descriptive and inferential statistics to meet the key study objective while the corresponding hypotheses were tested with Simple Linear Regression at 0.05 alpha level. Focusing on health workers in Busia District, the findings are broken down into two strands, namely: effect of financial rewards on health workers' performance; and effect of non-financial rewards on health workers' performance. But, first a presentation on the status quo of health workers' performance in Busia DLG per se follows below.

## Current status of health workers' performance in Busia DLG

In this study, an inquiry was made into the sentiments of respondents on the state of performance of health workers in Busia DLG. The aim was to explore the current status as a basis for analysing the role of rewards on the current performance levels. Some selected items were measured and tabulated. The scores captured are summarised in Table 1 below.



**Table 1. Performance of health workers in Busia District Local Government**

Items	Agree	Disagree	Neutral
I conduct community outreach session every week	118 (59%)	73 (36%)	9 (5%)
I attend to my duties regularly	111 (55%)	69 (35%)	20 (10%)
Patients take less time from reception to departure from the health facility	121 (60%)	64 (32%)	15 (7%)
My unit keeps equipment clean required for timely delivery of services	148 (74%)	50 (25%)	2 (1%)
I document all procedures done on each patient	73 (42%)	117 (58%)	0
I keep patients documents under key and lock	42 (21%)	154 (77%)	4 (2%)
Patient records are available any time on request	70 (35%)	110 (55%)	20 (10%)

Source: Field Data       $N = 200$

The data generated in Table 1 reveal valid frequencies relating to respondents' self-rating. In the process of exploring the state of performance of health workers in Busia DLG, an inquiry from respondents was made as to whether they conduct community outreach sessions every week. The responses indicated that 59% of the respondents agreed, a total of 36% disagreed and only five per cent of the respondents were neutral on this matter. These results suggest that majority agreed with the statements. The value of community outreach programs in health service delivery is that the programs serve people who are often unable to help themselves. As Ajila and Abiola (2004) hold, carrying out community outreach programs is one of the ways medical professionals can give back to the patients and reveal their empathy and support, hence performing. Therefore, with about 40% health workers not carrying out community outreach suggests a low performance.

As regards to attending to duties regularly, the responses from the respondents showed that a total of 55% agreed, only 35% disagreed. The disagreeing percentage represented those who were habitual absentee staff. Similarly, the researcher interrogated the respondents on the item "I document all procedures done on each patient", cumulatively 42% agreed, and 58% disagreed with the statement. The study also intended to explore whether the health workers keep patients' documents under 'lock and key'. The findings revealed that cumulatively 77% of the respondents disagreed, and 21% of the respondents agreed on this item. These results reveal that majority of the respondents disagreed with these statements. These scores suggest staff underperformance in health service in Busia DLG.

It should be noted that decent medical records file basic facts of patient care as well as what was done by whom and the magnitude to which the results happened. This data is very critical for all medical practitioners. Collecting meaningful clinical particulars into a single

place enhances the practitioner's medical memory about the significant events that happen later in treatment. Therefore, precisely recording all clients' complaints and signs is key in helping other practitioners to care for them in identifying trends when guiding clients in the development of treatment plans.

## Financial rewards and health workers' performance in Busia District Local Government

Specific data were collected on the perception of staff on the status of financial rewards in Busia DLG. The aim was to provide a basis upon which the effect of financial rewards on the performance of health workers can be established. Table 2 presents descriptive data that reveals staff perception of district health workers on the status of financial rewards.

**Table 2: Perception of health workers towards financial rewards received from Busia DLG**

	Agree	Disagree	Neutral
Item	No. (%)	No. (%)	No.
I receive salary in a timely manner	127 (64%)	73 (36%)	0
I receive my salary as agreed in the appointment letter	131 (66%)	69 (34%)	0
My salary is enough to cover my basic needs	41 (21%)	159(79%)	0
I get notch salary increments	52 (26%)	148 (74%)	0
I receive salary comparable with other organizations	81 (41%)	117 (58%)	21
I get my salary whenever I fall sick until I recover	176 (88%)	24 (12%)	0
I receive lunch allowances in addition to salary	185 (92%)	15 (8%)	0
I receive consolidated allowance on top of my salary	153 (77%)	47 (23%)	0
I receive responsibility allowance for additional roles	78 (39%)	119 (59%)	3 (2%)
My allowances come on time	131 (65%)	69 (35%)	0
My bonus is paid regularly	41 (20%)	159 (80%)	0
My gratuity will be paid at the end of my employment period	168 (84%)	32 (16%)	0
My gratuity will be paid to my family in case I die	186 (93%)	14 (7%)	0
My gratuity will make me start some income generating projects after retirement	46 (23%)	154 (77%)	0
I will be paid pension on monthly basis after retirement to meet my basic needs	190 (95%)	10 (5%)	0
My pension will be paid regularly	90 (45%)	101(50%)	9 (5%)
My pension will sustain me at my old age	<b>50 (25%)</b>	<b>147 (73%)</b>	<b>3 (2%)</b>
I get some incentives in addition to salary	<b>52 (26%)</b>	<b>148 (74%)</b>	<b>0</b>
<b>Average response (percentage)</b>	<b>54%</b>	<b>45%</b>	<b>1%</b>

Source: Field Data       $N = 200$       No. = Number

Table 2 reveals a slightly positive perception of health workers towards the current financial rewards. Most of the items have an accumulated a score above 50% of the respondents. Some exceptional cases have very high scores; for instance, receiving salary even when sick (88%); receiving lunch allowance (92%); guarantee for gratuity to family even in the event of death (93%); and expectation for monthly pension till death (95%). These items, among others, reveal a high level of appreciation of some components of financial rewards. Meanwhile, on the extremely low side certain items under the financial rewards scored a very low mark where few respondents perceived them to be true. For instance, only 26% of the respondents were getting some incentives in addition to salary; 25% believed pension will support them in old age; 23 % believed that their pension will enable them start some income generating activity; and 21% perceived their salary to be sufficient to cover their basic needs; and 20% said that their bonuses are paid regularly; and so forth. These low rating of the financial rewards could explain why the health workers in Busia DLG are under performing. They perceive certain critical aspects of their financial rewards to be unfair and probably that is why they underperform. Similarly, as. Larkin, et al., (2012) and Leonard and Masatu, (2010) assert, money is a form of motivation that is viewed by many people as a goal in itself and as a means of making ends meet. Therefore, mishandling employees' money is risking their loyalty and performance.

Furthermore, Table 2 shows that based on the overall average responses, 54% of the respondents perceived financial rewards positively when they agreed to those positive statements in the Table. On the other hand, 45% revealed an overall negative staff perception of the financial rewards at Busia DLG when they disagreed with the items/statements in Table 2 above.

#### *Effect of financial rewards and the performance of health workers in Busia DLG*

In order to establish the effect of financial rewards on the performance of health workers in Busia DLG, a simple linear regression analysis was done. Actually, regression analysis tested the first hypothesis, namely;  $H_0$ : *There is no significant effect between financial rewards and the performance of health workers in Busia district local government.* The findings are presented in Table 3 below.

**Table 3: Simple Linear Regression Analysis on the effect of financial rewards on performance of health workers in Busia DLG**

Variables Regressed	R-value	F	Sig	Interpretation	Decision on $H_0$
Financial rewards and Performance of health workers	.624	.248	.006	Positive and significant influence	Rejected

Source: Field Data (2019) (Level of significance =0.05) N = 200

In Table 3, R-value reveals the correlation coefficient between financial rewards and performance of health workers. The correlation coefficient shows .62. This value shows that correlation is significant at 0.05 level (2 tailed) and implies that there is a relationship between

financial rewards and performance of health workers ( $r = .62$ ). The results indicate that financial rewards have a positive and significant effect on the performance of health workers ( $F = .248$ ,  $p = .006 < \alpha = 0.05$ ). Thus the null hypothesis was rejected and the alternate hypothesis, " $H_1$ : There is significant effect between financial rewards and the performance of health workers in Busia District Local Government" was accepted. The results further suggest that emphasis on financial rewards in terms of salary, allowances, bonuses, pension, gratuity, incentives, benefits and commission-based pay will improve on the performance of health workers at their work stations in terms of number of community outreach sessions conducted, number of patients handled, staff attendance to duty, availability of clean equipment and availability of patient records. These results are line with what Danish and Usman (2010) argue that financial rewards are among the most important devices for managers in motivating employees and as well very significant in influencing their behaviour to attain bigger organization goals.

It should be noted that while the Government of Uganda prioritized salary enhancement for public health officers for several financial years (e.g. financial year 2018/2019) plus allowances, in order to improve performance, some loopholes remained unplugged. And, as also indicated in Table 2, not all aspects of financial rewards were streamlined. For instance, the incentive structure remained unfairly distributed, pension was still perceived as meagre, bonuses were paid irregularly and even the salary were widely perceived by health workers as insufficient. Such irregularities in the financial reward system may partly explain why health workers in Busia DLG are still underperforming. Similarly, some scholars such as Malhotra, et al. (2013) have advised that organisations think carefully not just how much money is given to employees in form of pay but also how this pay is dispensed so that it may be structured in ways that will be accepted and reciprocated. By implication, how financial rewards are allotted determines staff satisfaction levels.

### Non-financial rewards and health workers' performance in Busia District Local Government

The second strand to be considered by this article was the effect of non-financial rewards on health workers' performance in Busia District Local Government. On this aspect, data were collected and analysed. The findings were analysed at two levels, namely: descriptive and inferential levels. At descriptive level, the findings are presented in Table 4 below.

**Table 4: Staff perception of non-financial rewards in Busia District Local Government**

	Agree%	Disagree	Neutral
Item	No.	No. %	No. %
Whenever I do a good job my supervisor recognizes me	136 (68%)	55 (27%)	9 (5%)
Criteria used on recognition is fair	110 (55%)	81 (40%)	9 (5%)
Promotion is based on merit	121 (61%)	64 (32%)	15 (7%)
My hard work is appreciated by my supervisor	50 (25%)	148 (74%)	2 (1%)
Staff to identify with and appreciate me	126 (63%)	49 (25%)	25 (12%)

I can get certificate of merit if I do a good job	106 (53%)	90 (45%)	4 (2%)
Certificate of merit makes me to work harder	70 (35%)	110 (55%)	20 (10%)
I am empowered at my work place by my supervisor	52 (26%)	105 (52%)	43 (22%)
Empowerment adds value on the way I do my work	118 (59%)	77 (39%)	5 (2%)
I get offs to do my private work	111 (56%)	69 (34%)	20 (10%)
I put in more efforts to work after my offs	121 (61%)	69 (34%)	10 (5%)
<b>Total (Average percentage)</b>	<b>51%</b>	<b>42%</b>	<b>7%</b>

Source: Field Data       $N = 200$       No. = Number

Table 4 indicates that, on most items scored under the non-financial rewards, most respondents agreed implying that they were satisfied with such measures. For example, a total of 68% agreed that they get recognition from their supervisors; 63% agreed that they get appreciation from colleagues; 61% felt that promotion in Busia DLG is based on merit; and 59% indicated that empowerment adds value to the work they do. These moderately positive scores suggest that non-financial rewards are on average appreciated and therefore likely to enhance performance. Nevertheless, on some non-financial reward items a minority of respondents agreed. For instance, their hard work being appreciated by the supervisors only 25% of respondents agreed and only 26% felt that they were empowered by their supervisors. This finding suggests that supervisor behaviour from the perspective of empowering subordinates is low and is negatively affecting the non-financial reward aspect of the health workers' jobs in Busia DLG. This scenario can partly explain low performance in the medical field in Busia. For example, on appreciation, as Lewis (2013) reveals, employees who are appreciated for their contribution in an organization are more willing to take up new assignments and are more likely to accomplish the tasks on schedule. Hence, the opposite is true for those who are not appreciated or even empowered.

In general, as Table 4 indicates, an average of 51% of the respondents had positive ratings for the non-financial reward items. This rating implies that a small majority (51%) of the respondents felt that the non-financial rewards from Busia DLG are favourable. On the other hand, 42% of the respondents felt that the non-financial rewards are not well administered which gave them a negative perception of the rewards, hence disagreed. Probably, it is these 42% of the respondents who are underperforming in the health service delivery system in Busia DLG.

Effect of non-financial rewards and the performance of health workers in Busia DLG  
The analysis further tested the second null hypothesis, namely, " $H_0$ : There is no significant effect between non-financial rewards and the performance of health workers in Busia district local government". Testing was done using simple linear regression analysis. The findings are presented in Table 5 below.

**Table 5: Simple Line Regression Analysis: Effect of non-financial rewards on performance of health workers**

Variables Regressed	R-value	F	Sig	Interpretation	Decision on H <sub>0</sub>
Non-financial rewards and Performance of health workers	.524	.266	.004	Positive and significant influence	Rejected

Source: Field Data (2020) (Level of significance =0.05) N = 200

Table 5 presents the R-value which shows the correlation coefficient between non-financial rewards and performance of health workers. The correlation coefficient shows 0.52 this value indicates that correlation is significant at 0.05 level (2 tailed) and implies that there is a relationship between non-financial rewards and Performance of health workers ( $r = .52$ ). The results suggest that non-financial rewards have a positive and significant effect on the performance of health workers ( $F = .266$ ,  $p = .004 < \alpha = 0.05$ ). Therefore, the second null hypothesis was rejected and the alternate hypothesis, namely, "*H<sub>1</sub>: There is significant effect between non-financial rewards and the performance of health workers in Busia district local government*" was accepted. By implication emphasis on non-financial rewards in terms of recognition, promotion, appreciation, certificate of merit, empowerment and flexible work schedules will improve on the performance of health workers at their work stations in terms of number of community outreach sessions conducted, number of patients handled, staff attendance to duty, availability of clean equipment and availability of patient records. Indeed, as La Belle (2005) notes, non-financial such as recognition inspire employees to perform to their full potential. Therefore, the absence of such rewards might have negative effects on performance.

It should be noted that while the Government of Uganda enhanced the reward package for health workers in the public service countrywide, including Busia DLG, for the recent financial years (e.g. financial year 2018/2019), in order to improve performance more attention was put on financial rewards less on the non-financial rewards. Actually, as indicated in Table 3, most items of non-financial rewards were scored relatively low by respondents compared to the financial rewards in Table 2. For example, only a few health workers (25%) felt that their hard work was being appreciated by the supervisors; and only 26% of respondents felt that they were empowered by their supervisors. With such a minority feeling fairly rewarded, it follows therefore that the disgruntled majority may not perform to the expected standards. According to Expectancy Theory, for employees to perform they need the assurance that their effort will both contribute to achievement of improved performance for their organization and that the achievement will translate into improvement in their personal benefit (Vroom, 1964). So, the anticipation that individual effort eventually results into individual benefit is the final driving factor for performance. Therefore, when the reward system of Busia DLG gets questioned by health workers, individual effort goes down and consequently the overall performance in the health sector.

## Conclusions

In line with hypothesis one, the study found out that there is a significant effect of financial rewards on performance of health workers at Busia DLG. The test of hypothesis one confirmed this ( $F = .248, p = .006 < \alpha = 0.05$ ). The findings imply that a positive increase in financial rewards will lead to an increase in performance of health workers in terms of number of community outreach sessions conducted, number of patients handled, staff attendance to duty, availability of clean equipment and availability of patient records.

While the financial rewards have a positive effect on the performance of health workers in Busia DLG, the overall performance has remained low. There are some loopholes in the management of the enhanced financial package that have made the rewards less impactful. The loopholes include the incentives being unfairly distributed; meagre pension; bonuses being paid irregularly; and even the salary amounts being widely perceived by health workers as insufficient. Therefore, financial rewards, even if enhanced, can fail to stimulate performance if the amounts are perceived by recipients as insufficient and if the administration of such rewards remain unfair.

With regard to hypothesis two, the study established that there is a significant effect of non-financial rewards on performance of health workers at Busia DLG. The test of hypothesis two confirmed this finding (i.e.  $F = .266, p = .004 < \alpha = 0.05$ ). The findings suggest that a positive increase in non-financial rewards will lead to an increase in performance of health workers in terms of number of community outreach sessions conducted; number of patients handled; staff attendance to duty; and availability of patient records.

It was further established that while non-financial rewards have a significant effect on performance of health workers there are still some gaps in the management of those rewards. For example, hard work was not being appreciated by most supervisors; and most supervisors were not empowering their subordinates as expected. So, mishandling of such non-financial rewards had discouraged some health workers to work hard. It can be concluded that the availability of non-financial rewards if not fairly administered may discourage certain staff from performing their duties fully.

## Implications of the study

Since there is a significant effect of financial rewards on performance of health workers, the study recommends that Busia DLG should further emphasize the financial rewards in terms of salary, allowances, bonuses, pension, gratuity, incentives, benefits and commission-based pay. The increase is likely to improve on the performance of health workers in the district. In addition, the district should appropriate more funds from their recurrent budget to the health sector to enhance the amounts of financial rewards. Besides, the distribution of such rewards should be done fairly across the different cadres of health workers in the DLG.

On the significant effect of non-financial rewards on performance of health workers at Busia DLG, the study recommends that district continues to emphasise the non-financial



rewards in terms of recognition, promotion, and certificates of merit. Moreover, supervisors at different levels should be encouraged to constantly appreciate the work done by subordinates and empower the subordinates to do performance a collection of tasks. The non-financial rewards will probably improve on the performance of health workers to perform.

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