

Table 3

Values of Guttman's Lambda coefficients (λ)

Coefficient	Value
Lambda 1	0,824
Lambda 2	0,891
Lambda 3	0,870
Lambda 4	0,839
Lambda 5	0,868
Lambda 6	0,942
Items	19

Source: Developed by the author based on collected data

In order to increase the relevance and depth of the analyzes, we calculated the averages for all variables as well as a series of aggregates indices as the averages of the values assigned to each variable. These aggregate indices were calculated for each of the seven hypotheses about reward policies (IAIR1-IAIR7) and for all hypotheses about reward policies (total IAIR) (Table 4).

Table 4

Variable averages and aggregate indices of formulated hypotheses

Items	The average of the values assigned to the answers	Items	The average of the values assigned to the answers	Items / Hypotheses	The average of the values assigned to the answers
r10.1	3,50	r10.11	4,53	IAIR1	3,76
r10.2	4,01	r10.12	3,51	IAIR2	3,41
r10.3	3,86	r10.13	2,87	IAIR3	3,02
r10.4	3,34	r10.14	3,69	IAIR4	3,29
r10.5	2,70	r10.15	3,69	IAIR5	4,33
r10.6	3,39	r10.16	4,64	IAIR6	4,00
r10.7	2,99	r10.17	3,93	IAIR7	4,46
r10.8	3,33	r10.18	4,31	IAIR total	3,72
r10.9	3,44	r10.19	4,46	-	-
r10.10	4,56	-	-	-	-

Source: Developed by the author based on collected data

These average indices for individual variables and aggregate indices associated with hypotheses are used to increase the relevance and reliability of research.

Investigating the validity of the first hypothesis involves analyzing the answers obtained for items 10.1 and 10.2. Analyzing the perception on the structure of the salary package (individual variable r10.1) it can be noticed that 31.4% of the surveyed employees are dissatisfied (Figure 4).

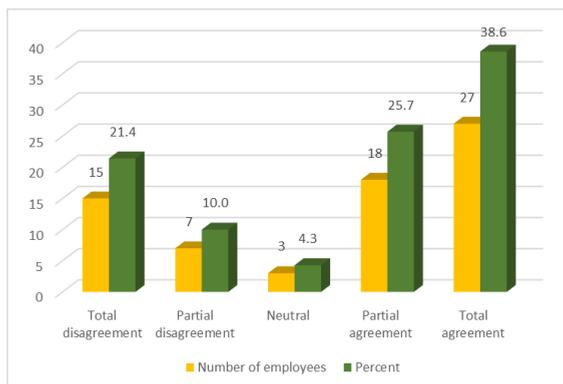


Figure 4. Perception on the structure of the salary package

Source: Developed by the author based on collected data

Structure of the wage package is a variable that does not depend on hospital management given that there is strict legislation regulating the wage grid within health care. Law no. 153/2017 on the remuneration of staff paid from public funds regulates wages in clinical units, and medical-social assistance units. Within this normative act, one can notice a very large difference in the basic salary between specialist and primary care physicians, on the one hand, and the other categories of staff. This is also evident in figure 4 that illustrate the perception of employees on the structure of the salary package.

Looking at the management of the salary package (individual variable r10.2), we noticed that a large number of respondents (70% of the total respondents) are satisfied with the management of the salary package by the hospital management (Figure 5).

Although Law no. 153/2017 on the remuneration of staff paid from public funds that regulate wages in clinical units and medical-social care units leave little freedom of movement to hospital management, the pay system being based on competencies and contributions rather than on performance, yet employees appreciate the way in which hospital management manages to apply the provisions of this law. Only 14.9% of the respondents have been totally or partially dissatisfied with the management of the salary package by the hospital management.

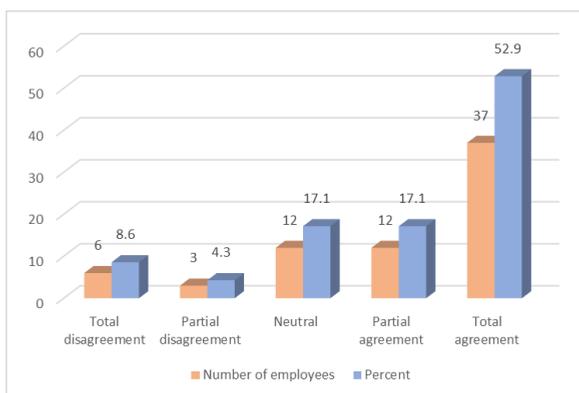


Figure 5. Perception on the management of the salary package

Source: Developed by the author based on collected data

Following the IR1 hypothesis, we can say that this hypothesis is partially validated. Employees of the SCEH are partially satisfied with the way the wage package is structured and managed. Regarding the way in which the wage package is structured, discontent is greater than in the way it is managed.

Investigating the validity of the second hypothesis involves analyzing the answers obtained for items 10.3, 10.6 and 10.7. Analyzing the perception on the ways in which employees receive appropriate and timely notification and information on wages (the individual variable r10.3), we found that 11.4% of the surveyed employees are totally dissatisfied, 15, 7% of the surveyed employees are partially dissatisfied (Figure 6).

The percentage of 67.1% of the surveyed employees who are satisfied with the way of communicating the information regarding the salary package is a good one, exceeding two thirds of the total number of respondents, which allows us to say that this type of communication is efficient at the SCEH.

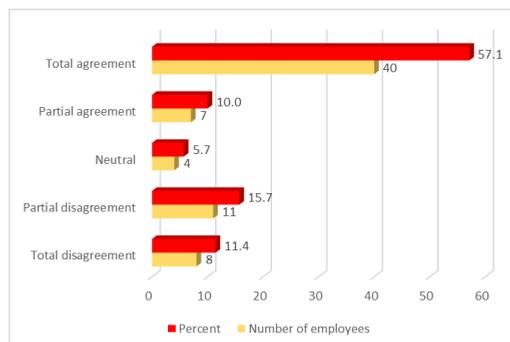


Figure 6. Perception on the ways in which employees receive appropriate and timely notification and information on wages

Source: Developed by the author based on collected data

Researching the involvement in formulating, discussing and implementing reward policies (individual variable r10.6) we found that less than half (45.7% of total respondents) are satisfied with the way in which employees are informed and involved in the formulation, discussion and implementation of reward policies (Figure 7). A percentage of 25.7% of respondents said they were dissatisfied, while 28.6% said they were neutral in relation to this issue.

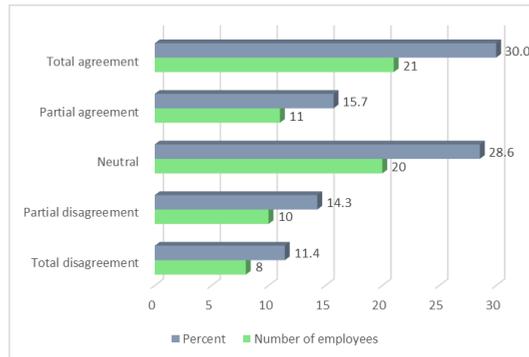


Figure 7. Perception on the ways in which employees are well informed and involved in formulating, discussing and implementing reward policies

Source: Developed by the author based on collected data

Hospitals management tends to not discuss policies with employees considering that they are public through regulatory acts. In spite of this, specialized language and various changes in the normative acts regulating public pay, it is difficult for the hospital staff to understand the elements regarding the formulation, discussion and implementation of reward policies.

Analyzing the perception of the level of knowledge regarding salary (individual variable r10.7) one can see that there is a relatively balanced distribution, however inclined to those who do not know what is happening in terms of salary in the organization in which they work (Figure 8). A percentage of 38.5% of respondents said they did not know what was happening in terms of pay in their organization, while 37.1% said they were well aware. A fairly high percentage (24.3% of respondents) have no opinion on this issue.

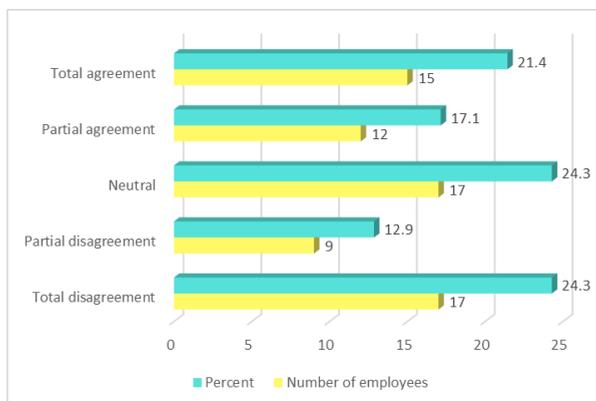


Figure 8. Perception on the level of knowledge regarding the salary at the organization level

Source: Developed by the author based on collected data

This individual variable is basically a variable result, awareness regarding remuneration in the organization is the result of how employees are informed and involved in formulating, discussing and implementing policies rewards and how the

employees receive timely notifications and information on any changes that affect wage packages.

Following the IR2 hypothesis, we can say that this hypothesis is partially validated. The wage package communication is partially effective at the SCEH. With regard to wage policy communication, discontent is greater than in the case of wage package communication. Also, there were no strong links between communication policy and employees' knowledge of salary at the organization level.

Investigating the validity of the third hypothesis involves analyzing the answers obtained for items 10.4 and 10.5. Analyzing the perception of ensuring equal reward for equal work (individual variable r10.4) we can see that over half of respondents (51.4% of respondents) are satisfied with the fairness of the rewards for the same type of work (Figure 9).

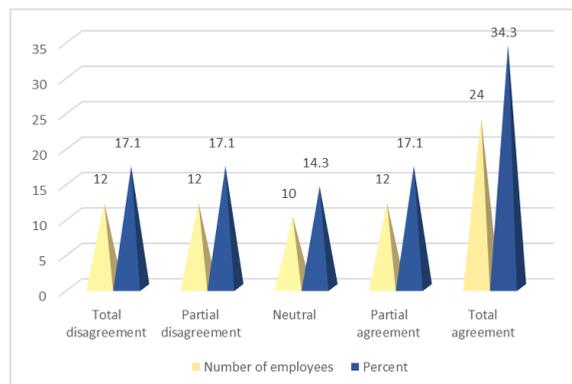


Figure 9. Perception on ensuring equal rewards for the same type of work

Source: Developed by the author based on collected data

However, 34.2% of respondents are unhappy about the inequality of rewards awarded for the same type of work.

Although there is strict legislation regulating the wage grid within the health care sector (Law No 153/2017), the pay system is not fully equitable.

Looking at employees' perception of wage equity between different departments (individual variable r10.5), we noticed that a large number of respondents (38.6% of the total respondents) declared themselves neutral because they did not know well how colleagues from another department were paid (Figure 10). In connection with the statement "my colleague from another department with the same qualification receives higher wage earnings than myself", 21.4% expressed their agreement in whole or in part, while 40% expressed their total or partial disagreement.

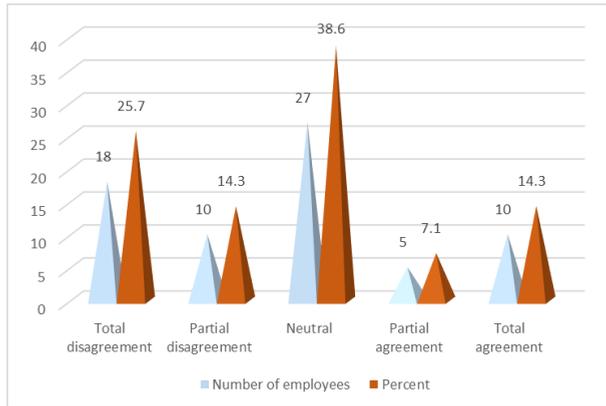


Figure 10. Employees perception on wage equity between different departments

Source: Developed by the author based on collected data

Following the IR3 hypothesis, we can say that this hypothesis is partially validated. Only a part of the employees of SCEH believe that reward policies and the pay system are set on a fair basis. If the r10.4 variable tests the equity of the payroll system, the r10.5 variable tests the inequality that hospital employees feel.

Investigating the validity of the fourth hypothesis involves analyzing the answers obtained for items 10.8, 10.9, 10.12 and 10.13. Analyzing the employee satisfaction with the income obtained in relation to their work (the individual variable r10.8) we found that 20% of the surveyed employees are totally unsatisfied, respectively 8.6% of the surveyed employees are partially unsatisfied (Figure 11) .

The percentage of 60% of the surveyed employees who say they are happy with their earnings in relation to their work is a good one. Adding to the respondents who declared themselves neutral (11%) exceeds two thirds of the respondents, which allows us to say that in the SCEH, employees are generally satisfied with the income they receive relative to their work.

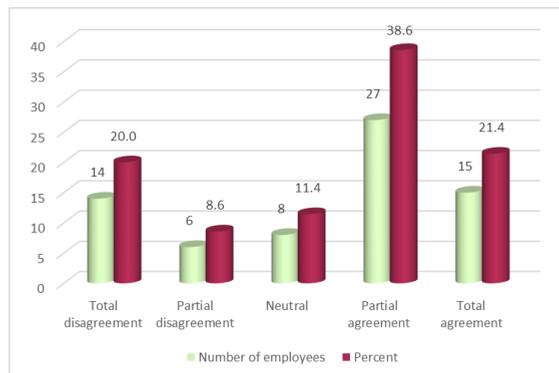


Figure 11. Satisfaction of employees with income in relation to their work

Source: Developed by the author based on collected data

Investigating the level of motivation generated by the financial rewards received (the individual variable r10.9), we found that it correlates quite strongly with the employees' satisfaction with the incomes obtained in relation to their work, the two variables having similar values. 61.4% of the total respondents are satisfied with the level of motivation generated by the financial rewards received, while 24.7% of respondents said they were dissatisfied (Figure 12).

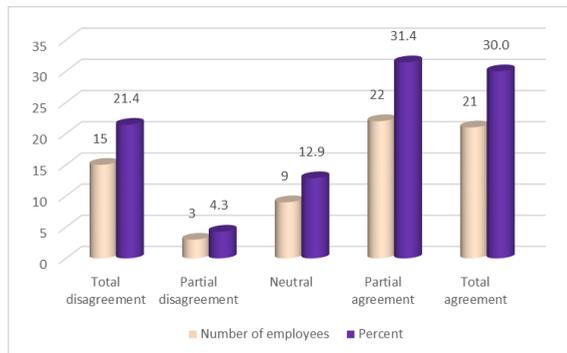


Figure 12. The level of motivation generated by the financial rewards received

Source: Developed by the author based on collected data

Taking into account the salary increases in health care in recent years, the level of motivation generated by the financial rewards received is good, being affected by the imbalances among the different categories of staff in Law no. 153/2017.

Analyzing the perception of the competitiveness of rewards at national level (individual variable r10.12), more than half of respondents (51.4%) consider that salary rewards received are comparable to those offered nationally to other categories of workers with similar qualifications and skills. A fairly high percentage (30% of the total respondents) declared themselves neutral on this question and only 18.6% said that salary rewards are not competitive at national level.

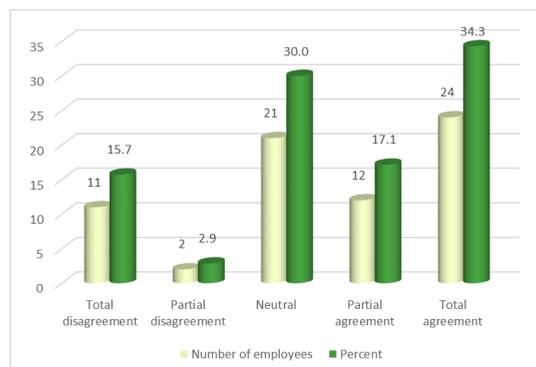


Figure 13. Perception of the competitiveness of rewards at national level

Source: Developed by the author based on collected data

Similarly to r10.12, the analysis of the perception on competitiveness of rewards at international level (r10.13) indicates that a fairly high percentage (35.7% of the total respondents) declared themselves neutral on this question. The number of respondents who consider that received salary rewards are comparable to those offered internationally to other categories of workers with similar qualifications and skills is lower (32.9% of the total number of respondents). The number of those who claimed that salary rewards are not internationally competitive (31.4% of the total of respondents) is relatively equal to those who have stated the opposite, indicating a balanced distribution.

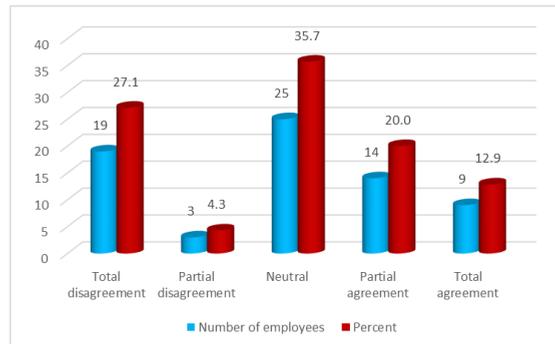


Figure 14. Perception of the competitiveness of rewards at international level

Source: Developed by the author based on collected data

Following the IR4 hypothesis, we can say that this hypothesis is validated. The wage package is motivating in the SCEH. Although there are some staff categories among the auxiliary personnel who claim to be demotivated by the level of rewards, the overall level of motivation is good. Regarding the competitiveness of the salary rewards offered, the employees of the SCEH consider that they are competitive at national and international level, except for some auxiliary staff.

The investigation of the validity of the fifth hypothesis involves the analysis of the answers obtained for items 10.10, 10.11, 10.17 and 10.18. Analyzing employees' perceptions on the positive effects of financial rewards on individual performance (r10.10), 87.2% of surveyed employees consider that an increase in financial rewards is a motivating factor for improving individual future performance (Figure 15). Only 5.7% of the surveyed employees do not see the positive effects of the financial rewards on individual performance in the SCEH.

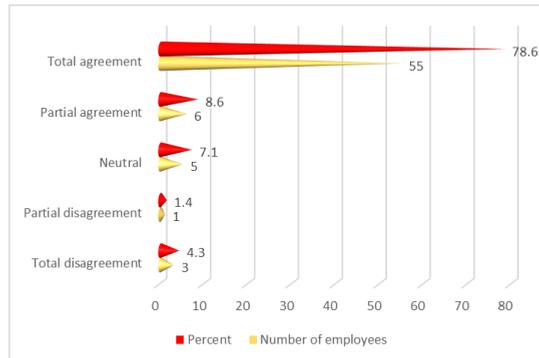


Figure 15. Employees perception on the positive effects of financial rewards on individual performance

Source: Developed by the author based on collected data

Employees of SCEH have a prominent orientation towards performance, considering that financial reward (extrinsic) is an essential factor in stimulating individual performance.

Researching the perception of the positive effects of financial rewards on the working environment and the organizational climate (the individual variable r10.11), we found that it correlates quite strongly with the perception of the employees about the positive effects of financial rewards on individual performance, the two variables having similar values. 88.6% of the total respondents agree with the statement that financial rewards have a positive effect on the working environment and the organizational climate (Figure 16).

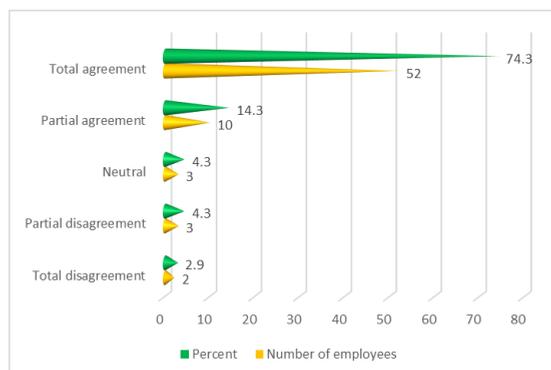


Figure 16. Perception of the positive effects of financial rewards on the working environment and the organizational climate

Source: Developed by the author based on collected data

Employees at SCEH, considering that financial reward (extrinsic) is a key factor not only in stimulating performance but is beneficial for establishing a good working environment and a performance oriented organizational climate.

Analyzing the perception on the effects of an effective reward structure on employee motivation and organizational efficiency (individual variable r10.17), it can be seen that more than half of respondents (51.4%) consider that a balanced

structure of the system reward improves employee motivation and organizational efficiency. Only 15.8% said that the structure of the reward system had no noticeable effects on employees' motivation and organizational efficiency. Figure 17 illustrates employees' perception on the effects of an effective reward system on employee motivation and organizational efficiency.

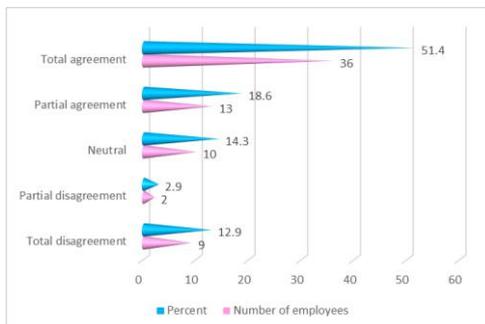


Figure 17. Perception on the positive effects of financial rewards on the employee motivation and organizational effectiveness

Source: Developed by the author based on collected data

From the analysis of the perception on the motivational effects of the salary incomes on the success and efficiency of the organization (individual variable r10.18) it can be noticed that over two thirds (67.1% of the total respondents) declared in total agreement with the claim that salary incomes received motivate employees to contribute to the success and effectiveness of the organization. A total of 12 respondents (representing 17.1% of the total respondents) stated in the partial agreement with the respondents, while 11.5% said they disagreed with the statement.

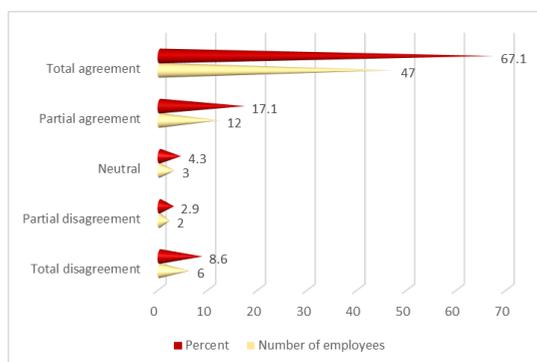


Figure 18. Perception of the positive effects of financial rewards on the success and effectiveness of the organization

Source: Developed by the author based on collected data

Employees of the SCEH consider that the earnings received motivate employees to contribute to the success and effectiveness of the organization, which shows the importance of these types of rewards in boosting performance and increasing labor productivity

Following the IR5 hypothesis, we can state that this hypothesis is validated. Structuring of the salary package encourages performance. Although there are a number of employees among auxiliary staff or physicians who consider that a performance-oriented effective payroll performance has no significant impact on labor productivity, organizational effectiveness and individual performance, the majority feel that there is a need to improve the system payroll in this respect.

Investigating the validity of the sixth hypothesis involves analyzing the answers obtained for items 10.14, 10.15 and 10.16. Analyzing employees' perceptions on the organization's appreciation for work and personal achievements (r10.14), we found that 7.1% of the surveyed employees are totally dissatisfied, 3.3% of the surveyed employees are partly dissatisfied with the appreciation they received (Figure 19).

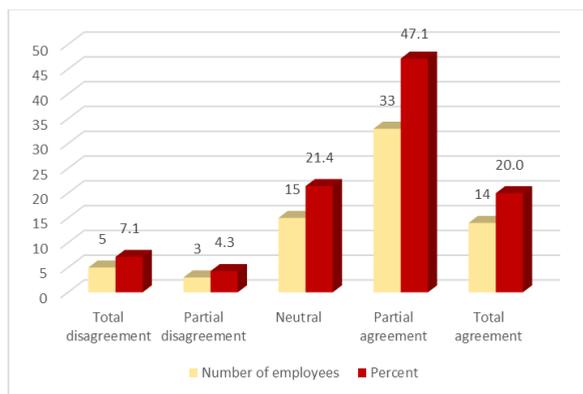


Figure 19. Employees' perception on the organization's appreciation for work and personal achievements

Source: Developed by the author based on collected data

The percentage of 67.1% of the surveyed employees who are satisfied with the way they are valued by the management of the organization is a good one, exceeding two thirds of the total respondents, which allows us to assert that the appreciation of the work done by the management of the organization is achieved effectively at SCEH, which influences the employees' activity, labor productivity and their performances.

Researching employees' perception on organizational success and efficiency (r10.15) we found that more than half (55.8% of respondents) are satisfied with how the organization's management recognizes the employees' contribution to success and organizational efficiency (Figure 20). A percentage of 15.3% of the respondents said they were dissatisfied, while a fairly high percentage (30% of the total respondents) declared themselves neutral in relation to this issue.

Recognizing the contribution to organizational success and efficiency by management of the organization can have significant influences on employee productivity and employee performance without involving financial efforts, recognition being an intrinsic motivational factor (Constantinescu et al., 2008).

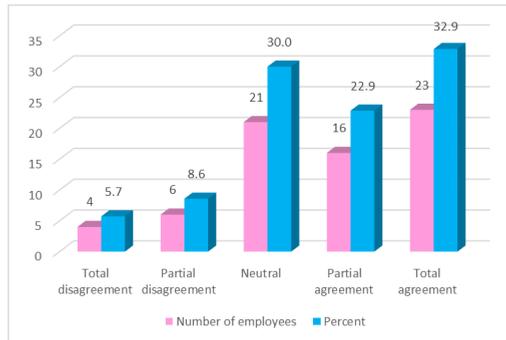


Figure 20. Perception of management's recognition of the contribution to organizational success and efficiency

Source: Developed by the author based on collected data

Analyzing employees' perception on the importance of their workforce for the success and effectiveness of SCEH (the individual variable r10.16), we found that an overwhelming percentage (92.9% of the total respondents) think their job is important for the success and effectiveness of SCEH. Only a very small percentage (4.3% of the total respondents) did not consider their job to be important for the success and effectiveness of SCEH (Figure 21). This variable is a control variable that illustrates the importance of assessing the work done and recognizing the contribution made by employees to organizational effectiveness and performance.

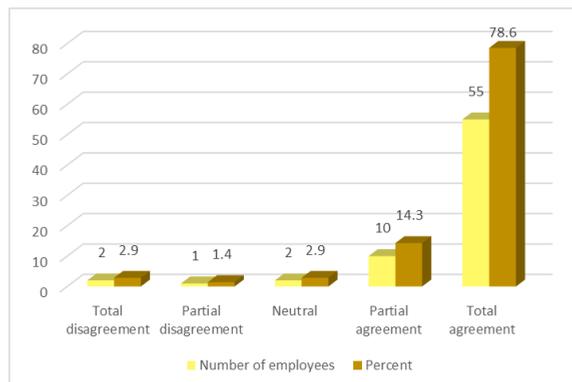


Figure 21. Perception on the importance of their job for organizational success and efficiency

Source: Developed by the author based on collected data

Following the IR6 hypothesis, we can say that this hypothesis is validated. The contributions and achievements of the employees are recognized within SCEH. Hospital staff said they felt appreciated and there are acknowledged their contributions, such organizational management actions being important to them.

The last hypothesis on reward policies (seventh) involves the analysis of a single individual variable (r10.19). Analyzing the employees' perception of the desirability of the job at SCEH compared to the private centers (the individual variable r10.19) it can be seen that 84.3% of the surveyed employees believe that

the SCEH is a place better for work than private medical centers, while only 8.6% do not share this opinion (Figure 22).

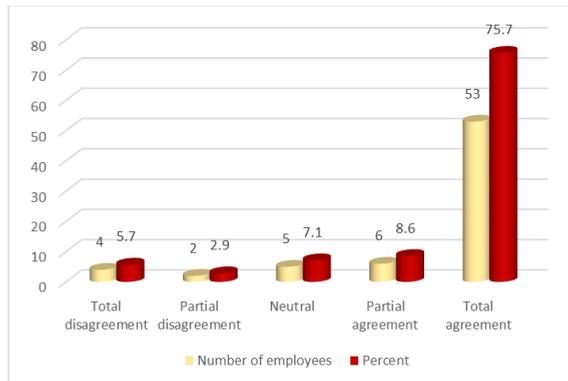


Figure 22. Employees perception of the desirability of the job at the SCEH in relation to the medical private centers

Source: Developed by the author based on collected data

Following the research of the IR7 hypothesis, we can say that this hypothesis is validated. SCEH is a better place to work than private medical centers.

An analysis of the correlations among the aggregate indices calculated for hypothesis regarding reward policies has revealed that all aspects of reward policies are strongly correlated, which allows us to conclude that all these aspects are important in the mechanics of the reward system, providing better motivation to the employees of the SCEH (Table 5).

Table 5

Correlations between the aggregate indices calculated for hypothesis regarding reward policies

		IAIR1	IAIR2	IAIR3	IAIR4	IAIR5	IAIR6	IAIR7	IAIR total
IAIR1	Pearson correlation	1	.474**	.248*	.690**	.468**	.503**	.408**	.813**
	Significance		,000	,038	,000	,000	,000	,000	,000
IAIR2	Pearson correlation	.474**	1	.551**	,188	.299*	.436**	.371**	.627**
	Significance	,000		,000	,119	,012	,000	,002	,000
IR3	Pearson correlation	.248*	.551**	1	,140	.342**	.237*	.406**	.491**
	Significance	,038	,000		,248	,004	,049	,000	,000
IAIR4	Pearson correlation	.690**	,188	,140	1	.546**	.489**	.322**	.793**
	Significance	,000	,119	,248		,000	,000	,007	,000
IAIR5	Pearson correlation	.468**	.299*	.342**	.546**	1	.493**	.460**	.758**
	Significance	,000	,012	,004	,000		,000	,000	,000
IAIR6	Pearson correlation	.503**	.436**	.237*	.489**	.493**	1	.434**	.732**
	Significance	,000	,000	,049	,000	,000		,000	,000
IAIR7	Pearson correlation	.408**	.371**	.406**	.322**	.460**	.434**	1	.594**
	Significance	,000	,002	,000	,007	,000	,000		,000
IAIR total	Pearson correlation	.813**	.627**	.491**	.793**	.758**	.732**	.594**	1
	Significance	,000	,000	,000	,000	,000	,000	,000	

** . The correlation is significant. * . The correlation is average.

Source: Developed by the author based on collected data

The way in which the salary package is structured and managed, encouraging performance through reward policies, and providing a motivating pay package are essential in the perception of employees of SCEH and can lead to an increase in employee productivity and performance, or a reduction if these issues are treated inadequately.

5. Conclusions

The purpose of health care services is to protect and improve the physical, mental and social health of individuals in order to increase the level of well-being and satisfaction in society. As in all service organizations, work productivity and employee performance are critical to the performance and quality of services that occupy an important place in organizational policies.

In this paper we have proposed and tested a tool for evaluating reward policies within a public hospital. At the SCEH, employees are satisfied with the way the wage package is structured and managed, and the wage package communication is effective. The salary system is structured fairly and correctly, the salary package being motivating within the SCEH. However, for some categories of staff the way the salary package is structured does not encourage performance. The SCEH recognizes employees' contributions and achievements, hospital being a better place to work than private medical centers due to wage increases in public hospitals, but precarious working conditions still cause medics emigration.

Based on the analysis we consider that the reward package should be related to the vision, strategy, culture and business models and objectives of the organization. The organization must also set up a good communication system to ensure a clear understanding by the employees of the organization's future. Employees must understand the role they play in achieving organizational goals, and they must be aware that the fulfillment of organizational roles lead to an increase in organizational performance.

Reward programs need to be well defined at different levels of the organization and must be reviewed periodically to keep employees motivated to the desired levels. Also, promises made regarding reward should be honored to ensure a fair relationship between the two sides.

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