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Improving nurses' performance through remuneration: a literature review

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Abstract

Background: A remuneration system greatly influences the quality of nursing care and services.
Objective: The goal of this study was to identify the effects of a remuneration system on nurses' performance.
Design: This research used a literature review design and involved the analysis of 25 articles published in the Cumulative Index to Nursing and Allied Health Literature (CINAHL), MEDLINE, EMBASE, PsycINFO, and Global Health databases. The literature was limited to articles published in English between August 2006 and August 2015.
Results: The results of this study indicate that the improvement of remuneration systems has positive consequences in terms of nurses' performance and subsequent quality of healthcare services. A well-managed remuneration system has the potential to increase nurses' motivation, productivity, satisfaction, and even improve retention. In contrast, poorly managed and low remuneration contributes to a shortage of nurses due to high turnover rates.
Conclusions: Adequate remuneration has been shown to improve nurses' performance and, consequently, improve the quality of healthcare. This literature review provides scientific evidence for decision-makers to consider the implementation of remuneration systems that include credentialing, re-credentialing, and career ladders. Future studies are suggested to investigate the development of well-managed remuneration systems for nurses.

Introduction

Hospitals involve a broad range of both healthcare and non-healthcare professionals. Nurses are an integral part of the healthcare professional team. They are demanded in the healthcare workforce markets[1] and play a key role in maintaining the quality of hospital services[2]. Accordingly, sufficient competencies are pivotal for nurses to provide quality nursing care and services, thereby improving patient satisfaction.

Nurses' performance in delivering care and services gives rise to the level of patient satisfaction[2]. A number of studies have indicated that nurses' performance is considered as one of the essential factors in determining the quality of health service. Exceptional nursing benefits healthcare by contributing to the highest quality of nursing care and improving patient outcomes[3].

Within the last few decades, there have been numerous investigations into factors that affect nurses' performance.

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A study conducted in Iran indicated that marriage status, age, education levels, work units, working periods, organizational commitment, work satisfaction, nurses' attitudes in providing nursing care, quality of patient care, and remuneration influence nurses' performance[4].

Additionally, a vast body of research demonstrates a significant relationship between nurses' performance and the remuneration system. In the studies in question, the amelioration of the remuneration system benefited the healthcare organizations by reducing turnover rates and improving productivity and the quality of care[5,6]. Also, it improved the nurses' motivation and satisfaction[7]. Furthermore, it attracted and retained new employees[8].

We performed a literature review of 25 articles, aiming to identify the effects of the remuneration system on nursing performance. Specifically, this review sought to address the following objectives: *a)* to identify the benefits of adequate remuneration; *b)* to identify the disadvantages of inadequate remuneration; *c)* to identify the problems that may occur when remuneration is applied, and *d)* to examine nurses' performance in relation to the remuneration system in place.

Method

A series of literature reviews were conducted on 25 articles published in the Cumulative Index to Nursing and Allied Health Literature (CINAHL), MEDLINE, EMBASE, PsycINFO, and Global Health databases. The literature was limited to articles published in English between August 2006 and August 2015.

The search strategy used specific keywords in the databases to screen the words of "nurse remuneration" and "nurses' performance". The articles were restricted by study design. In addition, the investigators independently screened the titles, abstracts, and the full texts of the relevant articles. The data collected were relative to factors affecting nurses' performance, basic salaries, average of nurse's total remuneration, and impacts of the remuneration system.

Results

The findings of this study comprised the characteristics of the literature. These are presented in Table 1.

Sample characteristics

Since the search was limited to articles published in English, it was not surprising that the majority of the sample was drawn from the population in the United States (28%), United Kingdom (16%), and Australia (12%). Also, although our literature search included articles published from August 2006 to August 2015, over half of the articles (52%) had been published since 2011.

Methodological characteristics

Prospective design study accounted for nearly three quarters of the total literature (72%). The literature employed a

Table 1 Characteristics of literature (n = 25)

Category	n	%
Sample country		
United States of America	7	28
Canada	1	4
United Kingdom	4	16
Australia	3	12
Other European nations	1	4
Other	9	36
Study design		
Prospective	18	72
Retrospective	7	18
Data collection method		
Original questionnaire/survey	6	24
Existing questionnaire/survey	6	24
Interview	4	16
Literature review	9	36
Theory		
Discussed	5	20
Not discussed	20	80
Publication date		
2011-2016	13	52
2006-2010	12	48

wide range of data collection approaches, including literature reviews (36%), and previously original surveys and developed surveys (24%). Original and previously developed surveys were undertaken via papers, in-person interviews, or telephone.

In general, nurses' performance is annually evaluated using the performance appraisal form published by the Ministry of Health of each country. Approximately one quarter (24%) of the articles reviewed the framework of Maslow's theory of human motivation in relation to subsequent hierarchy of human needs. According to Maslow, there are five main categories of human needs: physiological, safety, love and belonging, esteem, social recognition, and self-actualization needs. Physiological needs are considered to be the most pressing.

The findings of the studies reviewed demonstrated various remuneration systems across the countries. Australia, New Zealand, and the United States, for instance, involve unions and employers in determining their remuneration systems. Meanwhile, the remuneration systems of Czech Republic, Finland, and Japan are mainly regulated by the government. Details of the remuneration system of each country are presented in Table 2.

Discussion

This bibliographic review has provided an extensive list of studies that focused on remuneration and nurses' performance. The studies revealed that, at the beginning, the remuneration system was poorly managed. Furthermore,