

To Incentivise or Not? Recruiting and Retaining Healthcare Professionals

Mandeep Kalsi

November 2015

The healthcare sector in the United Arab Emirates (“UAE”) remains one of the most competitive in the region: with new hospitals increasingly being planned, existing healthcare and medical facilities seeking out opportunities for growth and expansion and global brands tempted to gain an entry and foothold into the local market, the demand for experienced and high-calibre Healthcare Professionals ever increases.

This competition is driven by the rise in medical tourism and the increasing demand for medical treatment in the UAE generally. For any Healthcare Provider standing in the storm of such a competitive sector, a careful balance requires to be reached between Healthcare Professional incentivisation and maintaining and protecting business and overall financial interests. It goes without saying that a failure to adequately or properly motivate and incentivise Healthcare Professionals can result in a talent drain to other Healthcare Providers.

Top 3 incentivisation Tools...

1. Remuneration and Benefits package

Determining areas of potential improvement can often begin with examining the package in place (or proposed) for Healthcare Professionals. The UAE and the GCC are renowned for their transient labour market and it is increasingly common to find Healthcare Professionals (much like employees in other sectors) attracted to the lure of increased remuneration and other lucrative benefit packages. It is therefore important to ensure that compensation and benefits are sufficiently pitched to attract new Healthcare Professionals as well as sufficiently competitive to retain existing ones.

A potential option, particularly for new Healthcare Professionals, is the introduction of a sign-on bonus (to be repaid in the event that the employee leaves the Healthcare Provider during the first year of employment).

A further option for consideration is an incentive based scheme which enables Healthcare Professionals (such as physicians) to profit share. A scheme of this nature would give some certainty around the ‘pool’ available for distribution to physicians each year (eg. x% of annual profit would be distributed between eligible physicians). The award could be payable over a two or three year period and the award could be subject to forfeiture and clawback conditions (eg. continuing employment as at the payment dates or else forfeiture, clawback of past paid awards in respect of failure to adhere to the post termination restrictions etc). The practical difficulties in this option arise in determining how the pool is allocated. In addition to revenue, it would be advisable to put in place other measurable objectives for the physicians (eg. patient satisfaction, compliance with regulatory requirements etc). The other option is to make the allocation of bonus discretionary. This removes the structuring issues but makes the allocation less transparent and has potential employee relations implications.

Cash incentives of the kind above need not only be the single source of incentivisation. Other benefit package incentivisation tools could include annual return flight tickets (for the employee and his dependants), educational allowances (extending coverage in cases of Healthcare Professionals with larger

families) and competitive medical insurance schemes.

In addition, company maintained accommodation would go some way towards incentivising staff (or, alternatively, the offering of housing accommodation loans or allowances), particularly against the backdrop of ever increasing rental and real estate in the UAE. For those relocating from outside the UAE, shipping and other relocation expenses and costs reimbursement or coverage could be offered as a further means of incentivisation.

2. Clear Career Paths

More “softer” tools for incentivisation of existing Healthcare Professionals (which, in turn, acts as a guide for new entrants) include engaging with them on their career path and progression within the organisation. Facilitating an open dialogue is key as a lack of clear advancement opportunities is likely to play a key role in any decision by a Healthcare Professional to seek pastures anew.

Highly driven Healthcare Professionals require a recognition and acknowledgement of their personal goals, advancement and overall development and those who want to move up the career ranks should be given the opportunity to do so, perhaps by, e.g., increasing responsibility or, for physicians, a clear transition from purely salaried to a fee for service remuneration structure. Aiding such driven professionals by providing them structured work plans and routine meetings to monitor their progress will go a long way to incentivising and retaining existing Healthcare Professionals to remain committed with the Healthcare Provider they are currently employed with, thereby diluting the “grass is always greener” mindset. As Healthcare Providers, the responsibility of developing and fostering an engaged work force begins by communicating clear, well-defined career paths and opportunities for advancement including any advanced training and providing budget for such advancement.

3. Work Schedule Flexibility

Another area for consideration is the approach to the work/life balance. Whilst not all Healthcare Providers are able to accommodate a flexible working schedule, a low-cost and economic way of achieving this is effectively administering simple scheduling changes. For example, a Healthcare Provider which ordinarily sees patients from 8.00AM to 6.00PM could accommodate the working mother or father by staggering the working schedule (contractual changes, of course, being subject to prior employee consent). Alternatively, in cases involving Healthcare Professionals with young children, a flexible working arrangement permitting them to come to the office later/early or leaving early could go some way towards aiding and accommodating employee familial or educational responsibilities. Such changes can go a long way towards fostering an image of a “caring” employer. The appeal of flexible scheduling, where possible, should not be underestimated.

Concluding Remarks...

A talented, motivated and stable workforce will facilitate improved productivity within any Healthcare Provider, which, in turn, will positively impact upon volume and quality, ultimately leading to better business growth. Healthcare Professionals are well-advised to examine their practices internally and work on improving or initiating incentivisation and retention tools in a fair, transparent and competitive manner.