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### **Incentives for Health Worker Retention in Private Hospitals**

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The need of health workers in large numbers is widely recognised for the effective functioning of the healthcare sector. Shortage of health workers significantly affect the achievement of health-related development goals in the society. The past few years have been the most challenging period for the private hospitals in Sri Lanka in retaining their employees. (Sri Lanka Health Accounts 1990-2006) Developing and maintaining skilled employees is the major determinant of sustainable competitive advantage for most organizations. Retention of highly skilled employees in private hospitals has become a difficult task due to the fact that this type of employees are attracted by the other hospitals with various kind of incentives. Private hospitals in particular, offer a number of financial incentives including overtime pay, paid leaves, housing or car loans at lower negotiated market rates, entertainment, transport, responsibility and uniform allowances. Non-financial incentives for health workers include opportunity for medical education, shorter working hours and life insurance. Given these factors and events this research aims to explore the extent to which intrinsic and extrinsic motivational variables affected in retention of employees in private hospitals in Sri Lanka.

Data were collected using self administered questionnaire from 120 nurses in the Co-operative hospitals PLC, Galle. Multiple regression found that pay and benefits ( $B=.451^{***}$ ), training and development opportunities ( $B=.132^{**}$ ) and supervisory support ( $B=.322^{***}$ ) significantly impact to the employee retention. Correlation analysis found pay and benefits ( $r=.283^{***}$ ), training and development opportunities ( $r=.123^{**}$ ) and supervisory support ( $r=.246^{***}$ ) is significantly and positively associated with employee retention. Further, ANOVA results found that there is no significant differences among motivational variables between demographic variable such as gender, marital and age. Since few studies conducted in Sri Lanka context, the findings of the study would be important for administrative bodies of the private hospitals in designing and implementing appropriate employee retention program.

**Key words:** incentives, health workers, retention, motivation