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**ANALYSIS OF THE EFFECT OF NON-MONETARY INCENTIVES ON THE PERFORMANCE  
OF STAFF IN MBALE REGIONAL REFERRAL HOSPITAL, MBALE DISTRICT**

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**ABSTRACT**

The study was geared towards analyzing the effect of non-monetary incentives on the performance of staff in Mbale Regional Referral Hospital (MRRH). Performance is the outcome of effort and one's performance is generally motivated by the desire to attain a goal. Non-monetary incentives are the non financial aspects that are not mandatory to be received from the institution but can motivate someone to perform either well or bad. But mainly, they are used to motivate positively. Non-monetary incentives are advantageous because they attract, motivate and retain employees towards performance. The study was based on four objectives which had research questions to be answered in order to analyze the effect of non-monetary incentives on the performance of staff in MRRH. The objectives of the study included, to establish the non-monetary incentives offered to staff in MRRH, to identify the staffs' attitude to the incentives offered by management of MRRH, to assess the challenges associated with non-monetary incentives and to examine how non-monetary incentives affect staff performance in MRRH. The study focused on the period between 2005 and 2010 because this is the period during which there have been more complaints about staff performance in MRRH. The related literature was reviewed in accordance with the objectives of the study. The researcher adopted a case study research design because it was convenient for collecting large amount of in depth data especially dealing with a situation that exists in a specific organization like MRRH. A case study was piloted in Bududa hospital to ensure the reliability and validity of the instruments to be used after getting a sample size of respondents proportionate to the total population chosen which would be used for generalization .Summary of the findings revealed that despite the fact that management tries to administer non-monetary incentives to staffs of MRRH in order to improve performance a section of staff are not happy with the incentives. They opt for more and in reality one shoe can't fit all. Recommendations were made devising ways of improving performance in MRRH basing on the objectives. The researcher then suggested areas for further research according to the findings and the related weaknesses and limitations encountered while collecting data.