

Voluntary Health Insurance as a Tool For Staff Motivation

Anastasia Karpenko¹

¹ Junior researcher at the Institute of Economics of the National Academy of Sciences of Belarus,
nastasya.karpenko.1999@mail.ru , Minsk, Republic of Belarus

Abstract: Voluntary health insurance (VHI) in corporate culture turns out to be not only a useful tool for ensuring the health of employees, but also a powerful means of motivating staff. A particularly significant aspect of VHI is the expansion of its coverage to family members of employees. By providing access to voluntary health insurance for both employees and their family members, the company demonstrates concern for the health of its employees, their loved ones and improving corporate culture.

Keywords: motivation, corporate culture, voluntary healthcare, healthcare.

1. INTRODUCTION

Voluntary medical insurance (VMI) plays an important role as a tool for personnel motivation in the modern world. Employees provided with access to high quality medical care through VMI usually show greater interest in their health and a higher level of performance. The introduction of VHI through the corporate culture of an enterprise can become a key indicator of care for employees, which in turn increases the level of loyalty and motivation of staff.

However, successful integration of (VHI) requires attention to the organization's corporate culture, as a close link between the two can be critical to its effectiveness. This includes consideration of the values, beliefs, shared goals and principles that define employee behavior in the work environment.

This study aims to analyze how corporate culture can be used as a fundamental building block for the successful integration of VHI, demonstrating that a well-defined and supported culture can be an effective mechanism for encouraging employees to perceive VHI as a privilege and part of a comprehensive program to improve staff health and well-being.

2. TYPES OF STAFF MOTIVATION: INTERNAL AND EXTERNAL

Nowadays, no one doubts that the most important resource of any organization is its employees. organization's management is able to develop excellent plans and strategies, find optimal structures and create efficient systems for transmitting and processing information, install state-of-the-art equipment in the organization and use the latest technologies. However, all of this will be undermined if the members of the organization do not perform properly, if they do not manage their responsibilities, if they do not behave

appropriately in the team, if they do not strive to contribute to the achievement of the organization's goals and mission through their work.

An individual's willingness and desire to do his or her job are some of the key factors in the success of any organization's functioning. Even if a person has to perform routine work, very simple in content and easy to control and account for, work that does not require creativity and high qualification - even in this case, mechanical compulsion to work can not give a high positive result.

The way to effectively manage a person is through understanding his system of incentives. Only by knowing what drives a person, what motivates him to activity, what stimuli underlie his actions, one can try to develop an effective system of forms and methods of human management. For this purpose it is necessary to know how certain stimuli arise or are caused, how and in what way stimuli can be brought into action, how people are stimulated.

Any enterprise that understands the value and importance of human resources, strives to build a competent and effective motivation system - one that will maximize the effectiveness of the full range of stimulating factors of employees, to balance the company's costs to support the optimal level of stimulation of employees.

There are different theories and concepts of motivation. Usually they are applied not in pure form, but in an integrated way – often different theories opposite ways of motivation.

For example, according to Maslow's theory of motivation a person moves progressively up the pyramid of his needs - from physiology, security and socialization to respect and self-expression. Therefore, the organization should give him more and more opportunities to satisfy his increasingly complex needs.

But according to the theory of K. Alderfer, which develops Maslow's ideas, a person can move up and

down the pyramid of needs. Sometimes it is necessary to give an employee a "flick on the nose" so that he or she is defeated in the desire to satisfy a need. He or she rolls back a step, wants what he or she wants even more, and pursues it with triple the energy and vigor, eager to prove to everyone that he or she capable and worthy person. The organization will get a very motivated employee without effort and expense, though for a limited period of time.

However, this system of motivation is not suitable for all employees. There are many people who will simply "give up", having failed once, and will not achieve anything. This example shows that there are no universal tools, so a comprehensive approach to staff motivation is needed.

From the point of view of where motivation arises in an employee, a distinction is made between intrinsic and extrinsic motivation.

Intrinsic motivation is a person's personal desires and aspirations. It is supported by intrinsic rewards. It is provided by the work itself: a sense of satisfaction, interest in the work, a sense of their importance and their contribution to the common cause, and the benefits brought.

External motivation is stimuli brought from the outside. It is supported by external rewards: salary, bonus, promotion, praise and public recognition of merit, social package and other incentives.

Experiments have revealed interesting facts about the relationship between intrinsic and extrinsic motivation:

- External motivation is less effective than intrinsic motivation. It has a shorter period of influence on a person. Significant reliance on extrinsic motivation often reduces a person's job satisfaction.
- The amount of salary and job satisfaction are loosely linked to each other. When the work is boring, the team is fragmented, the moral and psychological climate leaves much to be desired, the management is disconnected from the employees, they think only about money..
- When encouragement is expressed only in material form and its amount is constant and does not depend directly on the efforts of a person, intrinsic motivation decreases
- When employees have little interest in how they will be rewarded by the organization, and it is the work (task) itself that arouses interest, intrinsic motivation is greatly enhanced and has a positive effect on staff output. Researchers have even quantified the relationship. Intrinsically motivated

employees have interest and involvement 3 times more than those who are trying to influence only by external stimuli

Thus, intrinsic and extrinsic motivation are in a certain opposition. Finding the balance between these forms of motivation is necessary.

2.1 The role of corporate culture in shaping employee motivation

The corporate culture of an organization, which is a system of values, customs, norms of behavior and practices that are present in the organization, has a direct impact on motivation. It forms the common work atmosphere, determines the relationship between colleagues and management. An effective corporate culture, based on values that meet the needs and expectations of employees, is able to impact positively on motivation. Employees who share the organization's values feel more involved at work. At the same time, motivated employees also contribute to the creation and reinforcement of corporate culture because of visible enthusiasm and energy, which inspire others.

An effective corporate culture helps employees to feel a sense of belonging, motivated and committed to working toward enterprise and country's common goals.

The elements of corporate culture can vary from organization to organization, but typically include the following basic components:

1. Values and mission - defining the basic principles that organization recognizes as its own and outlining its overall goals and objectives.
2. Communication - internal communication within the organization plays a key role in creating an effective culture. This may include regular meetings, newsletters, feedback, etc.
3. Leadership - the leaders of the organization must be models of accepted values and practices, and motivate and inspire their subordinates.
4. Employee Development - investing in professional development and employee training helps to create a culture where employees feel valued and develop their potential.
5. Recognition and Rewards - a system of recognition and rewards for achievements and good performance helps to increase motivation and strengthen the corporate culture.
6. Equity and respect - creating equal opportunities and respectful treatment for all employees

promotes a harmonious work environment and prevents conflicts.

7. Participation and teamwork - encouraging active participation of employees in decision-making and teamwork on projects and tasks.

These elements of corporate culture can help create a unified atmosphere of cooperation, motivation and belonging to the company, which has a positive impact on its success and performance.

Thus, motivation and corporate culture are interrelated: motivated employees can influence an organization's culture, and corporate culture can influence employee motivation.

Corporate culture has received a lot of attention. Organizations are aware of the importance of creating a positive, ethical and inclusive corporate culture. They strive to attract and retain highly qualified employees who share the values and mission of the organization.

Every year, we actively introduce work practices focused on employee well-being: flexible working hours, remote work opportunities, support for physical and psychological health, and opportunities for professional development of employees.

It can be concluded that the creation of a competent corporate culture is a prerequisite for a sustainable and prosperous society. Companies based on the principles of ethics, responsible management and social responsibility, creative labor will attract talented employees, strengthen their relationships with customers and create a favorable environment for innovation and success.

3. THE ROLE OF CORPORATE CULTURE IN THE DEVELOPMENT OF EMPLOYEE MOTIVATION ON THE EXAMPLE OF AN INDUSTRIAL ENTERPRISE

To study the influence of corporate culture on labor motivation in production conditions, we studied the corporate culture of the industrial enterprise NP LLC "KOYDA NOVA":

1. Values: the priorities of the enterprise include responsibility, professionalism and innovation. The company aims to build long-term relationships with customers, partners.
2. Principles: the organization aims at high performance and is results-oriented. All employees

are expected fulfill their duties conscientiously and to be responsible.

3. Teamwork: the corporate culture encourages cooperation and mutual assistance between employees. The company encourages open communication and acceptance of feedback.

4. Continuous learning: the organization invests in the development of its employees by providing training and development opportunities. The company tries to support its employees in their professional growth.

5. Social Responsibility: the company actively supports social responsibility and strives to create a positive contribution to society.

6. Equity: the company adheres to the principle of equity and creates an environment for diversity and inclusion in the workplace. All employees have equal opportunities for career advancement and professional development.

7. Health: The company endeavors to create a healthy and safe environment and to implement measures to maintain and improve the physical and mental well-being of employees.

3.1 V. Gerchikov's model approach to improving corporate culture: analyzing the types of employee motivation and their impact on the organization. Gerchikov's Model Approach to Improving Corporate Culture: Analysis of Employee Motivation Types and Their Impact in an Organization

In order to improve the organization's corporate culture a survey, based on the model of V. Gerchikov [1] was conducted. The model is to determine which of the 5 types of work motivation belongs to the employee and draw conclusions about the applicability of various motivators in relation to a particular person, as well as its relevance to a particular team or professional activity.

V.I. Gerchikov's model helps to determine the type of motivation of an employee and select appropriate incentive tools for him. All employees can be divided into 5 types of motivation. Each type has different needs and interests, which are the basis of motivation. Let us consider all types of personnel motivation.

¹. Gerchikov test: personnel motivation depending on personality type. URL: <https://www.hr-director.ru/article/67504-gerchikov-motivatsiya-personala-19-m11> (date of circulation 25.02.2024)

Instrumental type

Work acts as a source of income. The work itself is of no value for an employee with the instrumental type of motivation. If labor is paid fairly and highly, such an employee works with full dedication. It is not money in general that is of interest, but the money earned by one's own labor. All other incentives have secondary importance. Such an employee is interested in the "price of the question", i.e. how much they will be paid for participation in a project, for additional work.

Example. Sales managers and other positions with clearly measurable results are often motivated by the instrumental type of motivation.

Professional type

Such employees appreciate the content of work, the opportunity to prove themselves and prove their professionalism, to cope with a difficult task, to become the best. Stimuli can be challenging tasks, independence, public appreciation and recognition.

An employee with a professional type of motivation does not grab for all projects and types of work just because they are paid for them. He will easily give up a boring and trivial project despite good pay. He takes up work and projects if they are interesting, meaningful, complex and as a professional give him an opportunity to distinguish himself, show his professional competence, learn new things.

Example. Often representatives of the professional type are narrow specialists - for example, a marketer, a lawyer and an HR manager.

Patriotic type

Company patriots appreciate the importance of their assigned work and want to feel the significance of their work to the organization. The most important incentive for them is recognition of their indispensability. Such employees are easy to distinguish - they are always ready for additional workload and occasionally stay late.

Important. The presence of a company mission, a strong leader and a corporate culture.

Owner type

Employees with the bossy type of motivation like autonomy and responsibility. They voluntarily take responsibility for their work and perform it with maximum dedication. It is said about such employees: "They behave like a boss". In terms of cost-benefit ratio, this is the most efficient employee. To motivate him to work, you need to delegate authority to him, give him the opportunity

to take responsibility for his work, assign him to manage projects.

Example. The most prominent representatives of the owner type are managers of lower and higher levels.

Important. Does not tolerate instructions and punishments.

Avoidant type

This type of employee looks for opportunities to avoid work or minimize their efforts. He or she has very low motivation, qualification and independence, prefers not to take responsibility and "keep a low profile". Administrative incentives work best with him - orders, threat of punishment, control, deprecation.

Employees with the avoidant type of motivation are the least effective, so they are not highly valued in the company. However, they can be assigned work that other employees will not accept. They are usually unskilled workers, such as construction workers or cleaners.

How can you recognize the type of motivation?

To determine the internal motivations of employees, test your staff using various methods - Herzberg test, Schubert questionnaire, Ehlers test or "Motivational Profile" by Ritchie and Martin. You can also limit yourself to a simple conversation with your staff, for example, ask the following questions:

- What do you value most in your job?
- Under what conditions would you agree to move to another organization?
- In which cases are you ready to show initiative, to offer some ideas and solutions?

If the answers boil down to money, then most likely the employee is an instrumentalist. And if they are about showing independence and professionalism, about opportunities for development, most likely it is a professional type. If a person talks about his readiness to do everything for the good of the organization, you are dealing with a patriotic type. If he emphasizes personal responsibility and autonomy, lack of pressure from the management, most likely this is a master type of motivation. And if the employee says that constant habitual tasks are important to him and does not emphasize other values, most likely this type is the avoidant type.

4. ANALYZING SURVEY RESULTS ACCORDING TO V. GERCHIKOV'S MODEL: CONDUCT, OVERVIEW AND CONCLUSIONS

A survey survey among the employees of the industrial enterprise, based on this model, was conducted and which showed that the patriotic type of motivation is acceptable for the majority of employees.

The result of the last calculation shows which incentive methods are not dominant (they are in the second place, but they occur frequently) and may appear in case of inadequate incentives. Determination of the forms of incentives corresponding to the results is made on the basis of Table 2.

Methods of stimulation, forms of motivation

Negative - displeasure, punishments, threat of job loss.

Monetary - salary, including all types of bonuses and allowances.

Natural - purchase or rent of housing, provision of a car, etc.

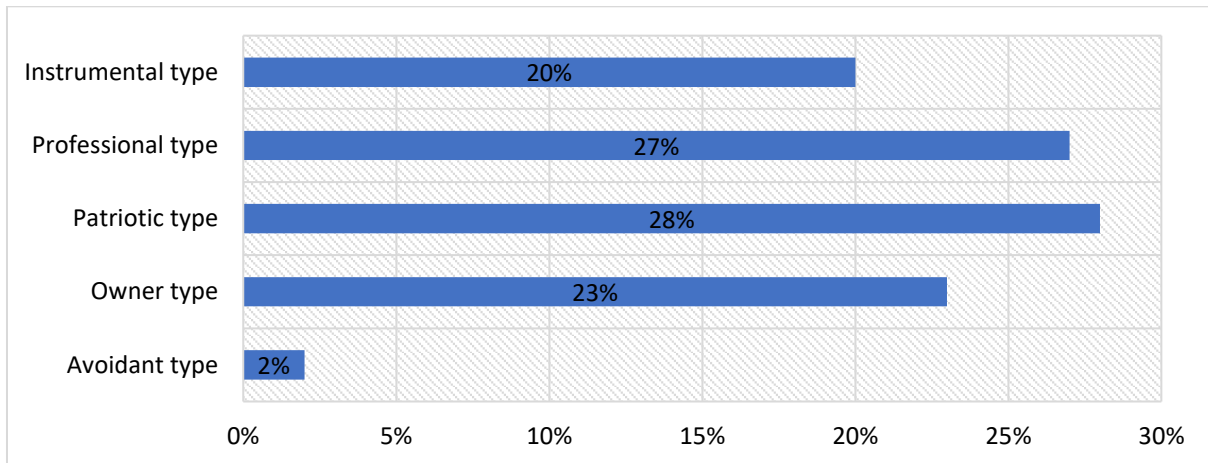
Moral - diplomas, awards, honor board, etc.

Paternalism (care for the employee) - additional social and medical insurance, creation of conditions for recreation, etc.

Organizational - working conditions, its content and organization. Involvement in co-ownership and participation in management.

Note: "Basic" - the most effective form of incentives. "Applicable" - can be used. "Neutral" - will have no impact. "Prohibited" - cannot be used

Table 1: Gerchikov Motivation Assessment Test



Source: [1]

Table 2: Forms of incentives

Forms of incentives	Motivational type				
	Instrumental	Professional	Patriot	Master	Stranger
Negatives	Neutral	Prohibited	Applicable	Prohibited	Basic
Monetary	Basic	Applicable	Neutral	Applicable	Neutral
Naturals	Applicable	Neutral	Applicable	Neutral	Базовая
Morale	Prohibited	Applicable	Basic	Neutral	Neutral
Paternalism	Prohibited	Prohibited	Applicable	Prohibited	Базовая
Organizational	Neutral	Basic	Neutral	Applicable	Prohibited
Participation in management	Neutral	Applicable	Applicable	Basic	Prohibited

Source: [1]

For example, in the given data we can see that the prevailing types of motivation are "Patriotic" (in the first place) and "Professional" (in the second place). Consequently, incentives should be based on moral and organizational forms of stimulation; applicable are monetary, in-kind forms and participation in ownership. Negative forms and paternalism are prohibited.

This test-questionnaire for employees of an industrial enterprise reveals the most effective and the least desirable methods of stimulation, individually for each employee, and also reveals the ways of self-motivation for the employees themselves. The test questionnaire clarifies which features of the job attract employees the most, what advantages current place of employment gives the employee now and what he or she can get in the future, in order to get satisfaction from the job itself and better self-realisation.

If we evaluate the company as a whole, then for greater motivation on the basis of the obtained data it is recommended to them to provide additional motivational social package, which would consist of benefits, bonuses, payments, which have a pronounced motivating character. This means that they encourage the employee for achievements and/or form his/her interest in increasing dedication.

4.1 An introduction to voluntary health insurance (VHI) and its role in meeting the needs of employees.

An effective mechanism for providing employees with additional social guarantees is insurance, which, at a low cost to the enterprise, makes it possible to:

- increase the interest of employees in the successful development of the business;
- raise the prestige of the manager in the eyes of the staff;
- attract highly qualified specialists;
- retain valuable employees at the enterprise;
- create a team capable of solving the tasks, faced by the organisation, effectively;
- optimise the costs of social security of employees;
- to form an image of the organisation of a high level of corporate culture in the eyes of business partners.

Every year health insurance in Belarus is becoming more and more popular. This service is used not only by those travelling abroad, but also by many other categories of citizens who care about their well-being. Having an insurance policy from a trusted company is a guarantee that in case of illness, accident or temporary disability treatment costs will be reimbursed. Health insurance allows to avoid the situation when a person is left alone with his or her problems and has to borrow large sums of money to pay for expensive treatment and rehabilitation.

Health insurance of an organisation's employees is not only a manifestation of care for the health and efficiency of personnel, strengthening the company's image and increasing loyalty of potential employees. It is also an effective tool to control probable material costs that arise in case of illnesses and work injuries.

In the context of improving the corporate culture of labour employees, we propose voluntary medical insurance (hereinafter referred to as VMI) not only for the employees of the enterprise, but also for their families (i.e. spouse and minor family members), which has been introduced in industrial production. It is much more convenient when all family members have insurance, as the level of employees' anxiety about solving medical problems is reduced, which enables them to concentrate more on their work.

Voluntary health insurance, on the other hand, is an additional benefit that companies provide to their employees. It allows employees to receive medical care and treatment under an insurance plan paid for by the company. This may include paying for doctor's visits, medication, hospital treatment, etc. Companies offer voluntary health insurance as an additional benefit package to help attract and retain qualified employees.

4.2 integration of VHI system: one of the ways of motivation at the enterprise and its advantages

Voluntary health insurance, in turn, is an additional benefit that companies provide to their employees. It allows employees to receive medical care and treatment through insurance that is paid for by the company. This may include coverage for doctor's visits, medication, hospitalisation, etc. Companies offer voluntary health insurance as an additional social package, which helps to attract and retain qualified employees [2].

2. Corporate life insurance of employees. URL: [https://priorlife.by/pages/programma-strahovaniya-zhizni-yur-lica?utm_source=google&utm_medium=cpc&utm_campaign=\(date of address 25.02.2024\)](https://priorlife.by/pages/programma-strahovaniya-zhizni-yur-lica?utm_source=google&utm_medium=cpc&utm_campaign=(date%20of%20address%2025.02.2024))

Every specialist wants to be in demand, and even more he wants his labour to be appreciated. The VHI programme is designed to repay a higher percentage of the insurance service. The employee pays less out of his pocket. Such a privilege may well motivate the staff. For corporate clients, the total price of a package of social services is much lower than for private clients.

The author's idea we propose will:

- reduce the cost of paying for sick leave;
- reduce working time losses caused by employee illnesses;
- reduce the risk of occupational diseases
- increase the efficiency of the team;
- raise the prestige of workplaces;
- strengthen the authority of the management.

Currently, insurance companies operating in Belarus offer a wide range of medical services included in voluntary health insurance programmes, which can be used not only by employees, but also by their family members, which is provided for by our offer.

Such programmes may include the following medical insurance services:

- consultations of medical specialists;
- laboratory tests;
- instrumental examinations;
- physiotherapy treatment and massage;
- day hospitalisation and surgical interventions;
- drug supply in the network of pharmacies;
- dental care;
- vaccination against influenza;
- treatment of chronic diseases outside the exacerbation stage;
- sanatorium-resort treatment;
- rehabilitation and recovery programmes in medical institutions.

Corporate culture can have a significant impact on employees' decision to purchase voluntary health insurance:

- care for employees: If a company acts to care for its employees and supports their health and well-being, employees, in turn, tend to take a greater interest in voluntary health insurance. They may see insurance as a tool to ensure their health and receive quality medical services.

- Financial stability: If the company offers quality insurance plans and pays or subsidises the cost of insurance, employees may see this as an added benefit of working for the company. This may encourage them to purchase voluntary health insurance to take advantage of all the benefits and opportunities offered by the company.

- Salary level: Bonuses, perks, and other financial rewards can have a significant impact on employees' ability to pay for insurance. If a company offers competitive salaries and rewards employees for their performance, employees may be more financially able to purchase voluntary health insurance.

- Corporate values and philosophy: If a company's corporate values and philosophy support healthy lifestyles and employee wellness, employees may see voluntary health insurance as a natural extension of these values. They may see insurance as a tool for maintaining their health and following the company's promoted principles.

- Communication and awareness: If the company is good at informing and educating its employees about the insurance plans available and the benefits of voluntary health insurance, it can create more interest among employees in this option. The company can provide information materials, organise seminars and counselling sessions to help employees make an informed decision about buying insurance.

CONCLUSION

Voluntary health insurance can be one of the elements of corporate ethics deeply embedded in the corporate culture. Providing voluntary medical insurance to employees demonstrates the company's will to care about laborers' well-being and health. It is a recognition of the importance of health for successful work and a loyal approach to employees.

A company that incorporates voluntary health insurance into its corporate culture promotes a healthy and safe work environment and shows responsibility to its employees. This helps to strengthen relationships, increase employee satisfaction, and improve employee performance. As a result, the company can achieve greater efficiency and success in its operations.

Thus, voluntary health insurance can be an important element of corporate culture, helping a company to build a positive reputation, strengthen employee relations and contribute to its sustainable development. Providing insurance and access to

health services can contribute to employee health, satisfaction and performance, as well as attracting and retaining talented employee

REFERENCES

1. Gerchikov test: personnel motivation depending on personality type. URL: <https://www.hr-director.ru/article/67504-gerchikov-motivatsiya-personala-19-m11> (date of circulation 25.02.2024)
2. Corporate life insurance of employees. URL: https://priorlife.by/pages/programma-strahovaniya-zhizni-yur-lica?utm_source=google&utm_medium=cpc&utm_campaign (date of address 25.02.2024)