

2019

## **Veterans Affairs Employees' Perceptions of Financial Incentives, Organizational Justice, Satisfaction, and Performance**

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*Walden University*

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# Walden University

College of Management and Technology

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The Office of the Provost

Walden University  
2019

Abstract

Veterans Affairs Employees' Perceptions of Financial Incentives, Organizational Justice,  
Satisfaction, and Performance

by

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MBA, Grantham University, 2013

Federal Polytechnics, Oko, Nigeria, 1996

Dissertation Submitted in Partial Fulfillment

of the Requirements for the Degree of

Doctor of Philosophy

Management

Walden University

October 2019

## Abstract

Veterans Affairs (VA) inconsistently distributes financial incentives, which might affect how VA employees perceived organizational justice, affecting employees' job satisfaction and performance. The purpose of this qualitative transcendental phenomenological study was to explore the lived experiences of VA employees that informed their perceptions of their workplaces' levels of organizational justice, their job satisfaction, and their performances due to inconsistent distribution of financial incentives by gathering data through interviews with 13 VA employees from the Southeastern United States. The research question concentrated on the lived experiences of VA employees with respect to the inconsistent distribution of financial incentives, and how these experiences shaped their perception of the level of organizational justice in their workplaces. The study was guided by the conceptual framework of social exchange theory, and data was analyzed per Moustakas 7-steps of data analysis. Four major themes emerged from the analysis of interview transcripts: financial incentives, fairness of financial incentives, organizational justice at the VA, and perceptions at VA. The study findings indicated that the allocation of financial incentives by the VA, based on performance appraisals—a product of supervisors, is skewed by supervisor's relationship with employees, and negatively affects VA employees job satisfaction and commitment. The results of this study could contribute to positive social change by assisting managers and employees in rectifying the perception of the unfair distribution of financial incentives at the VA.

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## Dedication

This work is dedicated to all those who provide the blanket of freedom under which we sleep and rise. Thank you.

## Acknowledgments

I would like to thank my committee chair, Dr. Steven Tippins, for his endless guidance and support. Dr. Tippins provided outstanding motivation that helped and inspired me to keep striving to achieve greater heights. To my committee member, Dr. Lisa Barrow, thank you for helping me and making sure I think deeper and not focusing on the shallow. You are appreciated. To Dr. David Gould, my University Research Reviewer (URR), thank you for the detailed feedback and scholarly guidance, which proved critical to the quality and success of this study. My deepest gratitude to the participants in this study for making themselves available and freely sharing their experiences with me. I would never have been able to finish this program without the encouragement, enthusiasm and support of my family. A special thanks goes to my wife, Malida, and our children, without their continuous patience and sacrifice, I could not have completed this program. Thank you all.

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## Chapter 1: Introduction to the Study

The Veterans Affairs (VA) scandal of 2014 brought national attention to patterns of inadequate agency performance related to appointment scheduling and to accompanying deception and records falsification to obscure such inadequacies within the VA (USDoVA, 2014). Central to this scandal was a particularly egregious finding by VA Office of Inspector General (VA OIG) that suggested an unprecedented level of inadequacy in the performance at one VA health care system in Phoenix, Arizona. At this agency, the VA OIG identified 28 instances of clinically significant appointment delays that resulted in six deaths and 17 other care deficiencies that leads to the death of 14 veterans (VA OIG, 2014). In response to this, there has been a national call for VA accountability, especially because of the allegations that excessive wait times for appointments might have resulted in unnecessary mortality for veterans (Bakaeen, Blaustein, & Kibbe, 2014; Devi, 2014). Compounding these concerns about accountability were findings that the VA distributed widespread and often substantial bonuses to executives and other employees despite their unsatisfactory performance (Devi, 2014). While the VA has adopted measures that included incentives allowed under the Government Employees Incentives Awards Act (GEIAA) (1997) to remediate the problem of underperformance (USDoVA, 2011; 2015); it is yet unclear as to the effects financial incentives have had on improving employee performance, especially as it pertains to employee perceived organizational justice and job satisfaction.

Therefore, the purpose of this qualitative transcendental phenomenological study is to explore the lived experiences of VA employees that informed their perceptions of

their workplaces' level of organizational justice, their job satisfaction, and their performance due to inconsistent distribution of financial incentives. Chapter 1 includes an introduction to and overview of the study. Accordingly, the chapter begins with the background of the research problem, followed by a direct statement of that problem. In alignment with the identified problem are the purpose of the study and resulting research questions. The chapter also addresses the study's conceptual framework and the nature of the study in broad terms. Following this are some key definitions, along with the study's assumptions, delimitations, and limitations. The chapter concludes by reiterating the study's significance and offering a summary.

### **Background of the Study**

The practice of offering financial incentives for performance is widespread today (Shaw & Gupta, 2015). The notion underlying it is quite natural; if a good worker and a bad worker receive the same pay, then there is no reason to be a good worker. Financial incentives attempt to remedy this in various ways. One common approach has been bonus pay, in which employees receive bonuses on top of their allotted salary based on various factors such as performance (Shaw & Gupta, 2015). Another approach to incentivizing good work is pay-for-performance, whereby the amount employees are paid varies by performance (Urech et al., 2015). These and other forms of financial incentives have been employed across a myriad of business contexts with varying results, all toward the goal of giving employees reason to care about the quality of their work beyond the minimum.

Given the explicitly judgmental nature of such incentives—that is, the fact that their application expresses a judgment of value and seeks to compare different results—

financial incentives naturally border somewhat upon issues of justice (Shan, Ishaq, & Shaheen, 2015). Justice takes many forms, such as procedural justice, but the most relevant in this case is organizational justice. Organizational justice is the perception of how just or fair the operation of a specific organization is (Rupp, Shapiro, Folger, Skarlicki, & Shao, 2017). For example, nepotism is a classic case of low organization justice, where personal connections matter more than performance or skill (Acquaah, Amoako-Gyampah, & Tukamushaba, 2016). If employees perceive that financial incentives are being awarded in a fair and consistent manner, it should create the perception of organizational justice. Research supports this notion: for example, employees' satisfaction with the appraisal of their performance is significantly impacted by organizational justice, and perceived moral judgment (Dusterhoff, Cunningham, & MacGregor, 2014). This result extends, and organizational justice is also related to positive employee behaviors in multiple studies, including task performance (Caza, McCarter, & Northcraft, 2015). This result has been supported by multiple studies and for multiple positive outcomes, including organizational citizenship behaviors (Marasi, & Bennett, 2016).

Conversely, the perception of a lack of organizational justice is significantly related to poor workplace behaviors. One such study found that workplace deviant behaviors are associated with lower levels of organizational justice (Huang, Shi, Xie, & Wang, 2015). The reason for this likely rests with the notion of social exchange and the implicit social contract in employment. In another study, interviews with workers provided support for a social exchange theory-based explanation of negative work



attitudes and behaviors as representations of employees reciprocating what their perceived as injustice in the workplace with poor performance (Colquitt, Long, Rodell, & Halvorsen-Ganepola, 2015). Such injustice need not be limited to injustice toward the workers themselves but can also be triggered by perceived organizational mistreatment of third parties, including mistreatment of coworkers and medical patients (Dunford, Jackson, Boss, Tay, & Boss, 2015).

The VA is an important branch of the U.S. government, which provides various services to veterans (USDoVA, 2014). Perhaps the most widely known and used of these services are the healthcare services provided through the VA to U.S. military veterans. These services often take the form of special VA hospitals or other medical programs aimed at serving veterans (USDoVA, 2014). Despite its status as a government organization; however, the VA is still an organization foremost. Under the GEIAA act of 1997, it can offer financial incentives such as pay bonuses to employees to incentivize better outcomes. However, like any organization, the VA is also susceptible to corruption. As a 2014 report indicated, in some places, VA employees have received pay bonuses and other financial incentives for good performance despite poor performance with a cost measured not only in dollars, but in lives (VA OIG, 2014). While the financial and medical costs of such corruption are clear, other subtler cost may not be as apparent.

As discussed above, the perception of organizational justice can have significant ramifications for job performance and job satisfaction. Furthermore, as per social exchange theory (Blau, 1964), exchanges such as bonus pay or other financial incentives for good performance create an expectation of reciprocity—that is to say, that good work

be rewarded well and bad work be rewarded poorly. Breaches of this reciprocity such as that characterized by the 2014 VA scandal could therefore have significant hidden costs in terms of undermining employees' perception of organizational justice, thereby hurting their job satisfaction. In keeping with this, it is not known how inconsistent rule application by the VA in the distribution of financial incentives may affect how VA employees perceive organizational justice, affecting employees' job satisfaction and performance (DeHart-Davis, Davis, & Mohr, 2014; Devi, 2014). In general, more research into the effects of financial incentives offered by VA hospitals is needed as well (Urech et al., 2015). This is the gap in the literature that I will seek to redress.

### **Problem Statement**

The general problem was that negative perception of financial incentives practices may influence employees' sense of organizational justice, job satisfaction, and job performance, resulting in counterproductive work behaviors (Beauregard, 2014; Cohen, Foglia, Kwong, Pearlman, & Fox, 2015). The effect of financial incentives on performance has been widely discussed in the literature (Bakotic, 2016; Ismail, Iqbal, & Adeel, 2018; Young et al., 2015). Financial incentives have been found to contribute to employee motivation, in turn, affecting performance and productivity, which in turn positively affect customer satisfaction (Bakotic, 2016; Ismail et al., 2018; Mokhniuk, 2016). Researchers including Shan et al. (2015), have evinced a link between organizational justice and job performance. However, these studies fall short of clarity on how organizations' financial incentive practices influence job satisfaction or affect problematic performance outcomes such as employee misconduct or counterproductive

work behavior. Moreover, less is known about how financial incentives and their influence on organizational justice and job satisfaction are perceived by employees at VA institutions such as hospitals (Urech et al., 2015).

The specific problem was that inconsistent rule application by the VA in the distribution of financial incentives may affect how VA employees perceive organizational justice, affecting employees' job satisfaction and performance (DeHart-Davis et al., 2014; Devi, 2014). Exploring how VA employees perceive financial incentives practices and gaining insight on the influence on organizational justice, job satisfaction, and performance might help to address the problem of inadequate agency performance, while also yielding needed insights on how to improve performance among VA employees (Osatuke, Moore, Ward, Dryenforth, & Belton, 2009).

### **Purpose of the Study**

The purpose of this qualitative transcendental phenomenological study was to explore the lived experiences of VA employees that informed their perceptions of their workplaces' level of organizational justice, their job satisfaction, and their performance due to inconsistent distribution of financial incentives. Data for the study were collected from VA employees of the Veterans Integrated Service Networks (VISN 7) until data saturation occurred (Kerr, Nixon, & Wild, 2010; Mason, 2010), to explore how their experiences and observations of financial incentives practices in the workplace affect their perceptions of fairness and satisfaction, and how these practices impact employee performance. The phenomenological research design was used to illuminate understanding of the experiences of VA employees regarding VA financial incentives

practice, specifically focusing on the employees' perception of organizational justice, employees' job satisfaction, and job performance. The results of the study may serve to inform more appropriate financial incentives and demonstrate the importance—if any—of offering fairer and more consistent financial incentives to VA healthcare providers. Given the recent calls for accountability in VA healthcare (e.g., Mattocks, Mengeling, Sadler, Baldor, & Bastian, 2017), this represents a timely and significant social issue.

### **Research Questions**

The following central research question (CQ) and two subquestions (SQ) served to guide the study:

CQ: What are the lived experiences of VA employees with respect to the inconsistent distribution of financial incentives, and how have these experiences shaped their perception of the level of organizational justice in their workplaces?

SQ1: How have the lived experiences of VA employees with respect to the inconsistent distribution of financial incentives shaped their job satisfaction?

SQ2: How have the lived experiences of VA employees with respect to the inconsistent distribution of financial incentives shaped their self-perceived job performance?

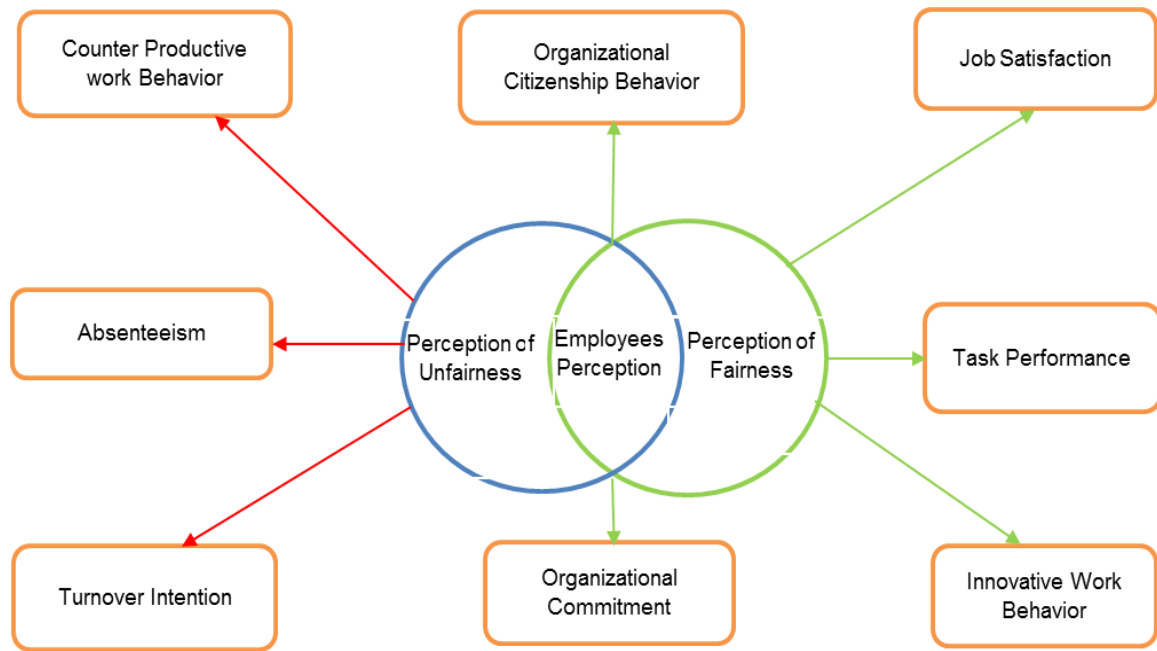
### **Conceptual Framework**

The key concepts in this study are inconsistent distribution of financial incentives and organizational justice. Accordingly, the conceptual framework is grounded in understanding the influences of financial incentives practices as it pertains to employees' perceptions of organizational justice, job satisfaction, and performance (Garbers &

Konradt, 2014). Organizational justice has often been found to be significantly associated with employee behaviors and satisfaction with pay (Ismail et al., 2018). A framework that integrates human social interactions with economic exchange will be appropriate in exploring the lived experiences of VA employees with respect to inconsistent financial incentives and organizational justice. Considering that criterion, social exchange theory (SET) by Beaugard (2014) and Blau (1964) offered a critical lens to address the concepts of inconsistent distribution of financial incentives. As the name of the theory suggests, SET is a theory of social exchange—that is to say, in some sense, a theory of expanded economics that not only considers financial transactions, but social ones and how different types of capital such as financial and social may be interchanged.

Versions of SET have seen use since as early as the 1920s, but the theory was most actively developed by several scholars in the 1960s and 1970s by scholars such as Blau (1964). A core proposition of SET is that human social behavior functions according to economic exchange dynamics (Barbalet, 2017). Within the framework of SET, social interactions in both personal and employment settings represent an exchange of activity with tangible or intangible components, which have associated values or costs (Barbalet, 2017). In addition, central to SET are the propositions that people expect ongoing social exchange to be characterized by reciprocity, and that people perceive unfairness when rewards are not in proportion to one's investments (Blau, 1964). Due to the expectation of reciprocity, an individual may take actions to restore exchange imbalances perceived as outcomes of unfair rewards in a social system or group (Cook,

Cheshire, Rice, & Nakagawa, 2013). Figure 1 depicts the reciprocal terms of social exchange.



*Figure 1.* Reciprocal terms of social exchange.

Beauregard's (2014) findings illustrated this proposition of SET, as employees who perceived unfairness in their organizations were more likely to engage in counterproductive work behaviors. This is perhaps doubly true for financial rewards as these rewards are valuable in terms of both economic and social capital. This is, indeed, the driving idea behind the notion of pay-for-performance and financial bonuses that the social action of working more effectively is rewarded economically and socially (Cohen et al., 2015). However, when this assumption is violated and, for example, employees observe that a poor worker is receiving better rewards than an effective one, not only does the incentive itself break down, but that breakdown may lead to a spillover of

animosity and social blowback because the expected reciprocal terms of social exchange were not met (Cohen et al., 2015).

Therefore, a perceived unfairness in incentives created by inconsistent application of policies and the culture of rewarding even underperforming VA healthcare employees as noted in the past (Devi, 2014) could create a significant perceived breach in the social exchange. This, in turn, could alter the perception of organizational justice and cause pushback from employees. With the study focused on exploring the lived experiences of VA employees' that informed their perceptions of low organizational justice, employees' job satisfaction, and performance due to inconsistent distribution of financial incentives, SET provided useful framework for the study. In turn, the study expanded SET by exploring the application of its key propositions to a real, important context, that of VA healthcare.

### **Nature of the Study**

The overall research method for the study is qualitative. Qualitative methods allow for open-ended, flexible exploration of participants' opinions, experiences, and descriptions (Corbin, Strauss, & Strauss, 2014). This flexibility is particularly advantageous in research on topics that have not been widely studied, because it gives the researcher the freedom to explore new or unexpected perspectives with participants as they emerge (Merriam & Tisdell, 2015). Furthermore, qualitative inquiry is descriptive and exploratory in the sense that it asks open-ended, exploratory questions that can serve to more fully develop the subject matter from a subjective, humanistic perspective (Merriam & Tisdell, 2015). Qualitative research is also intrinsically contextual,

examining phenomena holistically within their natural context rather than isolating them to study outside of that context (Merriam & Tisdell, 2015). This makes it ideal for studying deeply contextual and subjective issues such as those of organizational justice, inconsistent rewards, and job satisfaction. While such concepts can be quantitatively operationalized, that approach yields a significantly less richly nuanced result. Therefore, a qualitative approach was preferable for the study.

The specific research design was transcendental phenomenology. The transcendental phenomenological approach enhances researchers' ability to go beyond the phenomena and meanings being explored to take a comprehensive view of the essences discovered (Sloan & Bowe, 2014). Phenomenology allows a researcher to elicit the essence of participants' shared experiences from a reductive analysis (Moustakas, 1994). Transcendental phenomenology bolsters this through a stronger bracketing process in which the researcher carefully acknowledges and sets aside all expectations, biases, or other outside factors and focuses on determining only the essence of what the participants have said (Moustakas, 1994). The perceptions of VA employees on financial incentives practices have not been studied previously, and it is anticipated that participants will have complex interpretations of these practices, organizational justice, job satisfaction, and employee performance. Given these expectations of the study, a qualitative transcendental phenomenological design was the most appropriate for capturing the complexity and variation in VA employees' perspectives and experiences (Moustakas, 1994; Silverman, 2016).



Data collection was carried out through qualitative, semistructured interviews. In qualitative studies, such as this study, sample size need not be large (Malterud, Siersma, & Guassora, 2016). Although, various authors recommend sample size of five to 25 for phenomenological studies, Morse (2015) suggested that the determination of sample size depends on consideration of the quality of data, scope of the study, nature of the topic, and the qualitative method and study design used. I collected data from 12 VA employees that produced data saturation (Kerr et al., 2010; Mason, 2010), using face-to-face interviews. The original choice of 15 participants for this study was flexible and depended on the peak of data collection and no new information emerges. The data were analyzed using Moustakas' (1994) seven-step process for analyzing phenomenology, and NVivo software in organizing and processing the interview data. Further details on data collection and analysis may be found in Chapter 3.

### **Definitions**

*Financial incentives:* Financial incentives are any monetary incentives, such as bonus pay or pay for performance, which seek to incentivize better employee performance (Urech et al., 2015).

*Job satisfaction:* Job satisfaction is a worker's pleasurable emotional response to the perceived fulfillment of a personally important job values (DeHart-Davis et al., 2014).

*Organizational justice:* Organizational justice is the perception of how just or fair the operation of a specific organization is (Rupp et al., 2017).

*Social exchange*: Social exchange is the notion that social interactions, in both personal and employment settings, represent an exchange of activity with tangible or intangible components, which have associated values or costs (Barbalet, 2017).

*Veteran Affairs (VA)*: The VA is a branch of the federal government which offers services, especially healthcare services, to United States military veterans (USDoVA, 2014).

*Veterans Integrated Service Networks (VISN)*: The VISNs are the specific networks of services within the VA (Hebert & Hernandez, 2016). Of relevance to this study is the VISN 7, which serves the southeastern United States (USDoVA, 2018).

### **Assumptions**

Assumptions are notions that form the groundwork that a study is built upon (Merriam & Tisdell, 2015). That is assumptions are propositions necessary to the study but impossible to outright prove (Merriam & Tisdell, 2015). The study rests upon several assumptions. Firstly, it is assumed that qualitative research and phenomenological research can, in general, provide meaningful data regarding the distribution of financial incentives and their effects on employees. This assumption is inherent in choosing to use these well-established methodological conventions. In addition, I also assumed that participants can and will provide meaningful, relevant, and truthful responses regarding the issues under study. This assumption is inherent in using self-reported data, but careful attention to confidentiality, informed consent, and voluntary participation will serve to help ensure participants' willingness to speak truthfully.

### **Scope and Delimitations**

Delimitations represent soft limitations on the study—limits defined and set by the researcher in order to determine its scope and focus (Merriam & Tisdell, 2015). Thus, delimitations represent choices about what to study rather than weaknesses of the research. The study is, first and foremost, delimited to employees in the Veterans Integrated Service Network, specifically VISN 7. VISN 7 includes the states of Alabama, Georgia, and South Carolina. This delimitation sets the scope of the study by focusing the inquiry on a VA services network that is accessible for the researcher. More broadly, the delimitation of the study to the VA services network in general is because of the study's focus on the VA, a context in which attention has been drawn to the potential presence of unfair financial incentive distribution. The study is also delimited to financial incentive distribution and its effects for the same reason.

### **Limitations**

Limitations represent the harder limits of a study—those set by necessity rather than choice (Merriam & Tisdell, 2015). Therefore, limitations can be thought of as weaknesses of the study that are inherent in its nature. The study has several such limitations. Firstly, it was limited by self-reported data, especially regarding issues like job performance. However, this limitation is intrinsic to qualitative research, and especially to the phenomenological mode of inquiry, which seeks to examine subjective lived experiences. Furthermore, while the study seeks to examine a somewhat relational issue, its qualitative nature limits that inquiry to the perceived relationships, rather than the true relationships. This limitation, however, is necessary because overall qualitative

inquiry is a more appropriate approach for exploring the issues of interest. The study was also limited by the subjective nature of qualitative data analysis and the potential for researcher bias. However, the use of phenomenological bracketing served to hedge against this limitation and prevent the researchers' own expectations or biases from coloring the results. Furthermore, reporting the results of the analysis included frequent supporting quotes from the data thereby illustrating the grounding of the results within the data.

### **Significance of the Study**

The findings of this study may contribute to research literature by providing unique insights into how the practice of applying financial incentives influences employees' views of fairness or unfairness and the resulting influence on employee job satisfaction and performance. The uniqueness of this study is that it addressed an under researched area of employees' perception of organizational justice, job satisfaction, and performance (Lourenço, 2016) due to inconsistent distribution of financial incentives (DeHart-Davis et al., 2014). This represents the conceptual or academic significance of the study, which may reduce research gap. This research gap is both evidenced in the scholarly literature (e.g., DeHart-Davis et al., 2014; Lourenço, 2016), but also timely given the relatively recent concern that has arisen regarding these issues in the context of the VA. In keeping with its timeliness, the study also has a practical and social significance.

Specifically, insights from this study may contribute to management practice, as understanding how financial incentives practices influence employees' perceptions of

justice and injustice may be helpful to managers in designing and implementing incentives plans that build positive employee attitudes and behaviors. Investigating VA employees' perceptions of financial incentives practices might provide unique insights into how different types of financial incentives practices influence employees' views of fairness or unfairness in the workplace. Given the potential for unfair perceptions of financial incentives practices, this study might also provide unique insights into what types of incentives practices adversely affect employees' sense of fairness, satisfaction, and performance.

Furthermore, the findings of this study may also be useful to leaders working specifically within the VA as they continue to seek multiple strategies to improve employee performance and accountability. The VA has a significant social and cultural importance as an organization (Mattocks et al., 2017). Today especially, the U.S. places a high value on honoring veterans (Parrott, Albright, Dyche, & Steele, 2018), and the recent breaches of quality in VA services therefore represent a problem of social significance. By providing VA leaders and managers with results regarding how financial incentives—and especially any perceived unfairness thereof—affect their employees, the study contributes to positive social change. Improving the functioning of VA healthcare has clear social significance and, even more broadly, the results may be valuable to social change by demonstrating the potential effects of inconsistent and unfair incentive distribution.

## Summary and Transition

In summary, the specific problem was that inconsistent rule application by the VA in the distribution of financial incentives may affect how VA employees perceive organizational justice, affecting employees' job satisfaction and performance (DeHart-Davis et al., 2014; Devi, 2014). To address this problem, the purpose of this qualitative transcendental phenomenological study was to explore the lived experiences of VA employees that informed their perceptions of their workplaces' level of organizational justice, their job satisfaction, and their performance due to inconsistent distribution of financial incentives. The study was guided by a central research question: What are the lived experiences of VA employees with respect to the inconsistent distribution of financial incentives, and how have these experiences shaped their perception of the level of organizational justice in their workplaces? It is also guided by two sub-questions: (a) How have the lived experiences of VA employees with respect to the inconsistent distribution of financial incentives shaped their job satisfaction? and (b) How have the lived experiences of VA employees with respect to the inconsistent distribution of financial incentives shaped their self-perceived job performance? To answer these research questions, data was drawn from qualitative, semistructured interviews with 12 participants drawn from VISN 7, the VA Southeast Network. Next, in Chapter 2, the literature is reviewed. This chapter offered a more in-depth look at the conceptual framework that guided the study and the overall concept and practical context in which the study was undertaken.

## Chapter 2: Literature Review

Excessive wait time for patients using the VA administration for their healthcare needs brought national attention to issues in how this agency has been run in regards to patterns of appointment scheduling and ensuing falsification and covering up of records to hide the inadequate practices within this organization (USDoVA, 2014). Of interest is the scandal in 2014, where over 20 preventable patient deaths that occurred at a VA office in Phoenix, Arizona were linked ineffective attention to the needs of patients through delayed appointments and other care inadequacies (VA OIG, 2014). The VA responded to this scandal by calling for greater responsibility within their departments (Bakaeen et al., 2014; Devi, 2014). Furthermore, a system of financial incentives has been put in place within the VA, with the direct intention of mitigating unsatisfactory employee performance through monetary encouragement (USDoVA, 2011, 2015). It is unclear whether these remediation methods have been effective though. Specifically, in regard to the financial incentives given to employees at the VA, inconsistency exists between the allocation of funds and the performance of the individuals who receive them (Devi, 2014). This fact is important because the distribution of bonuses to individuals who do not deserve them can incite feelings of organizational injustice in those who notice these patterns, which in turn can cause those same employees to engage in behavior that is detrimental to the optimal functioning of that organization (Beauregard, 2014; Cohen et al., 2015). This research attempts to bring clarity to this issue through analysis of the lived experiences of VA employees that informs their perceptions of their

workplaces' level of organizational justice, their job satisfaction, and their performance due to inconsistent distribution of financial incentives.

This chapter places the current research within the context of the larger literature. First, the strategy for how the relevant literature was found is explained. Then the conceptual framework, which utilizes the perspective of social exchange theory (SET), is described. The relevance of this theory to the current research is also enumerated. Then the larger literature on financial incentives, organizational justice, job performance, and job satisfaction is laid out. How the research relates these concepts to each other is detailed in this section as well. After that the reach and trends of financial incentives within the VA are explained, and the research on the relevant concepts is placed within the context of this organization. Finally, the relevant research is consolidated within the conclusion. The gap in the research that the present investigation address is also presented within this section.

### **Literature Search Strategy**

To accomplish this literature review, a thorough search of the relevant research was performed. The Walden University Library provided the primary means of accessing different databases, and Google Scholar also proved to be a valuable literature search vehicle. The business and management databases used included Business Source Complete, Emerald Management, and SAGE Premier. Multidisciplinary databases included ScienceDirect, ProQuest, and Academic Search Complete. With focus on peer-reviewed journals and reports, the pertinent search terms used includes: *financial incentives; financial incentives and job performance; pay for performance;*



*organizational justice; organizational justice and financial incentives; social exchange theory; social exchange theory and organizational justice; veterans' affairs; veterans affairs work environment; effects of organizational justice; job performance and bonuses; job satisfaction and organizational justice; and job performance and organizational justice.*

### **Conceptual Framework**

The key concept of this study is inconsistent distribution of financial incentives. The conceptual framework is grounded in understanding the influences of financial incentives practices as it pertains to employees' perceptions of organizational justice, job satisfaction, and performance (Garbers & Konradt 2014). Organizational justice has been found to be significantly associated with employee behaviors and satisfaction with pay (Ismail et al., 2018). A framework that integrates human social interactions with economic exchange will be appropriate in exploring the lived experiences of VA employees that inform their perceptions of organizational justice, employees' job satisfaction, and performance due to inconsistent distribution of financial incentives. Social exchange theory or SET (Beauregard, 2014; Blau, 1964; Cook et al., 2013) offered a critical lens to address the concepts of inconsistent distribution of financial incentives. SET views social interactions as a mode of exchange in which values move from one person to another through channels of interaction (Beauregard, 2014; Blau, 1964). These methods of exchange are more typically associated with finances. However, the goal of a SET framework is to illustrate the aspects of social interaction that are not economic, but

rather the situations, collaborations, and learned behaviors that have value in the form of either rewards or costs (Varey, 2015).

The framework of SET used within the context of this research incorporates the key concepts of inconsistent distribution of financial incentives and organization justice. More specifically, organizational justice is a way that the organization gives back to the employees that work within it and has been shown to facilitate positive behaviors and satisfaction with pay (Ismail et al., 2018). Trust and commitment to an organization also increase when fairness at a place of work is the norm (Varey, 2015). These attributes work to increase the sharing of social capital at a workplace. Conversely, negative attitudes and behaviors appear in employees who perceive organizational injustice (Colquitt et al., 2015), which are also factors that contribute to the breakdown of social sharing.

Although aspects of SET have existed in the literature for much longer, the first real development of this theory occurred in the 1960s and 1970s by researchers like Blau (1964). The inception of this theory was interdisciplinary in nature, and drew from the varied fields of psychology, economics, sociology, and anthropology (Barbalet, 2017; Varey, 2015). The core principles of SET reflect this interdisciplinary background. On one hand, economic exchange dynamics, that set a value or cost to both concrete and metaphysical objects of exchange, is a central tenet of this theory (Barbalet, 2017; Yu, Mai, Tsai, & Dai, 2018). Simultaneously, reciprocity, a central tenet of interaction within the field of anthropology (Pieperhoff, 2018), is also highly integral to a clear perception of how SET works. Within long-term social relationships, the give and take that is at the

heart of reciprocity helps to ensure perceptions of fairness (Barbalet, 2017; Blau, 1964). If the reciprocal relationship begins to break down individuals may be motivated to take mediating actions, which can also be viewed as actions that are aimed at righting the injustice that these individuals see as being leveraged against them (Cook et al., 2013).

Through a study of how work-life balance initiatives are communicated to employees, Beauregard (2014) demonstrated how a lack of reciprocity contributes to higher incidence of counterproductive work behavior. More specifically, this study sought to understand the how organizational justice leads to more satisfied employees when it is used as a tool for exchange between the people who work at an organization and their supervisors. The exchange metric within this study was access to work-life balance initiatives. When employees are denied access to options for initiatives that help foster work-life balance, they have been found to perceive greater organizational injustice (Beauregard, 2014). To gain the data needed for Beauregard (2014) study a survey was administered to 224 local government workers in the United Kingdom. At the end of the survey the participants were asked if they would be willing to take part in a follow-up interview, which gleaned more insight into the ways that organizational justice affects counterproductive work behavior through open ended questions. In total, 26 of these follow-up interviews occurred.

To analyze the answers all survey and open-ended interview questions, both quantitative and qualitative research methods were used (Beauregard, 2014). The results of analysis showed that employees who are given information about work-life balance initiatives, specifically without having to ask for that information themselves, the amount

of counterproductive work behavior that they engage in also goes down (Beauregard, 2014). Findings such as this provide backing for the use of SET for measuring the importance of organizational justice. Although this study concentrated on the organizational justice that addresses ready access to information that an employee experiences, financial justice has also been shown to be applicable to the SET framework through research that looks at the aspects of pay-for-performance plans do or do not work (Cohen et al., 2015).

Other research has also used SET to gain insight into the concepts that are relevant to the present research (Arnéguy, Ohana, & Stinglhamber, 2018; Aryee, Walumbra, Mondejar, & Chu, 2015). Arnéguy et al. (2018) showed that fair treatment, which can also be qualified as overall organizational justice, is related to employee's readiness for change. These findings were grounded in SET, which was used to inform the relationship of giving between employees and their superiors. The relationship qualified fair treatment as the social exchange metric, and readiness for change as the result, or payoff, of this exchange (Arnéguy et al., 2018). A SET framework has also been employed to analyze the relationship between overall organizational justice and job performance (Aryee et al., 2015). These factors are also what the present research is concerned with, which means insight into how they are related is readily applicable to the investigation outlined here. The correlations found were complicated, involving other factors including need satisfaction, trust in an organization, and intrinsic motivation as well as justice and performance (Aryee et al., 2015). However, what is clear is that

mutual sharing is a necessary component in fostering the high level of job performance that employers wish to see within their employees.

A study by Chernyak-Hai and Tziner (2014) framed organizational justice as a metric of exchange between employees and those they work for even more clearly, and also sought to examine how a breakdown of this exchange contributes to counterproductive work behavior. How the exchange between leaders and members of an organization can break was qualified in two different ways. When the relationship has been traditionally quite open and reciprocal, a lack of exchange can be interpreted by the employee as a direct break of the organization's obligations. Furthermore, generally low exchange between leaders and members of an organization can amplify injustice in the ways that money is moved through an organization and contributes to more counterproductive work behavior (Chernyak-Hai & Tziner, 2014). Conversely, it was found that when perceived organizational justice was higher, the amount of counterproductive work behavior diminished. A generally ethical climate also helped motivate employees to behave in a way conducive to the best functioning of the organization. It should also be noted that this study found the position that an employee holds affects what causes them to engage in deviant ways at work (Chernyak-Hai & Tziner, 2014). As a lack of exchange between employees and their supervisors is one of the deciding factors in employee behavior, this result indicates that the position that an employee holds can itself act as an exchange metric between the employee and the organization. This makes sense, since exchange between employees and their supervisors exists within the greater context of the work environment (Dusterhoff et al., 2014). For

example, workers from different countries may react to the same input in inconsistent ways (Jiang, Gollan, & Brooks, 2015). Praise and other ways of rewarding employees must therefore be conceptualized as part of the larger picture if it is going to be effective in producing positive results (Dusterhoff et al., 2014). However, workplace exchange does work in a way that allows for positive inputs to improve the work environment itself, so that managers who treat their employees well should eventually see increased productivity (Lim & Loosemore, 2017).

Within the context of the VA, a SET framework is useful for understanding the motivation of employees' sense of organization justice or lack thereof. Specifically, the SET context has shown that those who feel wronged look to hold a third party responsible, even when that third party is not at fault or if the violation of justice is misunderstood (Rupp et al., 2017). SET has also been criticized for being an imprecise method by which to predict behavior (Cropanzano, Anthony, Daniels, & Hall, 2017). Cropanzano et al. (2017) performed a review of the literature that pinpointed a binary perception of the ways that SET manifests itself as a primary issue in using this theory to analyze how individuals are going to behave. In other words, SET allows for *good* or *bad* social exchange, but not for natural social exchange, and therefore creates situations where lack of active is misinterpreted as negative action. However, solutions to these issues and areas for future research, including looking more deeply into transactional chains and improving work organizations, were also purposed (Cropanzano et al., 2017). The present research adds to that specific area of investigation by considering the ways

that financial incentives are spread within the VA and how they contribute to outcomes of perceived organization justice, job satisfaction, and job performance.

### **Literature Review**

Incentivizing employees to produce better work through financial handouts has become a widespread practice within the industry of today (Shaw & Gupta, 2015). The reasoning behind this practice is that if a good and a bad worker earn the same amount, there is no reason for either worker to try to improve. The VA is no exception to this trend and has put in place financial incentive programs that aim to improve performance outcomes as well as the quality of care offered to the patients who utilize their services (USDoVA, 2011; 2015). However, a climate of injustice may exist within this organization that undermines the utility of these financial incentives (Devi, 2014). This review of the literature analyzes the utility of financial incentives for improving employee performance, dissects the other concepts that have also been identified as having impact on employee performance, and places these contributing factors within the context of the VA.

### **Brief Background of the VA**

The VA is a branch of the United States government that takes responsibility for the veterans of this country by providing multiple services to them, including, but hardly limited to, healthcare (USDoVA, 2014). When the Global War on Terror began in 2002, the VA began expending to accommodate the increased number of veterans who required their services (Preston, 2018). Currently, there are 310,000 employees who work at the 170 medical centers and 1,063 outpatient clinics that fall under the jurisdiction of this

organization (Schult, Mohr, & Osatuke, 2017). These people and offices are responsible for the care of the approximately 3.4 million veterans in the United States who presently qualify for care through the VA (Preston, 2018). These numbers make the VA the largest system for the delivery of healthcare in the United States (Schult et al., 2017). The population of people who are effected by how well the VA functions is therefore, close to four million. Ensuring that the quality of care that is offered by this governmental organization is of the highest standards should therefore be a monumental priority. Despite the great need for high quality healthcare from the VA though, the agency continues to function in a way that is not conducive to the well-being of its patients (Devi, 2014). Most notably, in 2014 multiple patients being seen at a VA hospital in Phoenix, Arizona died due to scheduling issues and other negligence that delayed their treatment to dangerous amounts of time (VA OIG, 2014). Still, little research on how the VA functions has been done, a gap in the literature that the present research hopes to begin to remedy.

Although the VA is technically a government organization, it remains an organization foremost, so, like all organizations, the VA is vulnerable to corruption and negligence (Ashforth, Gioia, Robinson, & Trevino, 2008). The GEIAA act of 1997 allowed the VA to offer pay bonuses to its employees to incentivize best practices and superior organizational outcomes, the unpalatable tendency for organizations to operate in a way that is averse to actual best practices has been reflected at the VA through the fact that poor performing individuals have still received bonuses, a trend that led to the loss of both money as well as lives (VA OIG, 2014). Other costs of this trend may be



measured in losses to perceived organizational justice, job satisfaction, and job performance of the individuals who work within the VA (DeHart-Davis et al., 2014; Devi, 2014). Placing this within the framework of SET, the giving of bonuses is reflective of a reciprocal relationship where good performance is rewarded via financial incentives (Blau, 1964). However, the trend within the VA of giving bonuses to undeserving employees may undermine the relationship between workers and this organization, and could be an underlying cause of the major institutional issues at the VA outlined above. There is a gap in the literature in terms of this possible question, which is a relationship I explore in the current research.

### **Financial Incentives**

All organizations interested in maximizing their productivity and efficiency should also be interested in the performance of their employees (Platis, Reklitis, & Zimeras, 2015). Employees can make or break an organization, as they are the ones on the ground, doing the actual work. Nurturing the workforce to be the best it can be has therefore become the focus of many organizations, as well as much research (Shaw & Gupta, 2015). As part of this effort, bonuses aimed at incentivizing employees to perform at a higher caliber has become a common practice (Shaw & Gupta, 2015). These bonuses can be provided through monetary handouts as well as verbal praise, both of which have been found to be effective at increasing the productivity of employees (Bareket-Bojmel, Hochman, & Ariely, 2014). Financial incentives seem to have particularly large effects on the performance of the workers who do, or do not, receive the incentives (Shaw & Gupta, 2015). While the removal of verbal bonuses has no negative effects on the work

ethic of employees, the removal of monetary bonuses does (Bareket-Bojmel et al., 2014). Furthermore, research has shown that financial incentives from outside sources can even cause an employee to betray their organization through whistleblowing (Andon, Free, Jidin, Monroe, & Turner, 2016). This demonstrates the highly important space that financial incentives occupy when it comes to encouraging employees to maximize their work efforts, and, more broadly, to behave in desirable ways.

One type of program that implements a structure of financial incentives in the workplace is pay-for-performance. Pay-for-performance means that employees who do a better job receive greater compensation for the work that they do (Urech et al., 2015). Currently, the scope of pay-for-performance programs throughout the United States is widening, as more similar initiatives get implemented in diverse industries (Conrad et al., 2018), and a low estimate for how much money is spent on pay-for-performance programs in this country is \$345 billion (Shaw & Mitra, 2017). Workers who receive more money through these programs are typically those in managerial and professional roles that are higher up the in the supervisory hierarchy (Williams & Zhou, 2016). In other words, those who benefit the most are the ones who hold greater power and knowledge already. These pay-for-performance programs have been shown to increase employee performance (Francis & Clancy, 2016; Han, Bartol, & Kim, 2015). However, the depth of effect that they have is dependent upon the context of the institution in which the program is set up (Gerhart & Fang, 2014). Some organizational structures and cultures are more conducive to this type of financial incentive program, which leads these

organizations to see greater increases in productivity when these programs are put in place.

Cerasoli, Nicklin, and Ford (2014) investigated the ways that both extrinsic incentives and intrinsic motivation can influence the productivity of employees. This investigation was framed by the undermining effect, which posits that extrinsic incentives can undermine the effectiveness of intrinsic motivation. The analysis of this assumption was based on a literature review through which six hypotheses were tested. These hypotheses related the two primary concepts to job performance, quality-type and quantity-type tasks, and directly and indirectly performance-salient incentives. Extrinsic incentives and intrinsic motivation were also directly related to each other (Cerasoli et al., 2014). Analysis of how these concepts interact showed that intrinsic motivation predicted the quality of performance, while extrinsic incentives predicted the quantity of performance, and that intrinsic motivation was less important to performance when incentives were directly tied to this performance. It was also found that extrinsic incentives did not seem to lessen the importance intrinsic motivation when this motivation was found to already be present (Cerasoli et al., 2014). These findings demonstrate how integral both intrinsic and extrinsic factors are to enhancing employee performance. These factors, which can also be described as cultural and financial, are not diametrically opposed. Rather, they work together to motivate the best possible outcomes for an organization (Cerasoli et al., 2014).

Pay-for-performance has been outlined as a model for financial incentives; however, the present research focuses more broadly on the giving of monetary bonuses.

In general, workplace financial incentive initiatives, beyond but also including pay-for-performance, have been found to positively contribute to both employee performance and motivation (Bakotic, 2016; Ismail et al., 2018; Young et al., 2015). Similarly to how pay-for-performance can be administered through both monetary and verbal incentives, financial incentives work with non-monetary motivations to foster more productivity in employees (Mokhniuk & Yushchvshyna, 2018). Managers within the public sector are one population whose reactions to financial incentives have been studied. It was found that these types of monetary motivations increased the amount of effort that they conscientiously put into their work (Belle & Cantarelli, 2014). More broadly, it has been found that financial incentives are related to the ways that workers feel about the work that they do (Olubusayoa, Stephenb, & Maxwell, 2014). Those who receive higher financial incentives feel better about what they produce.

The effects of financial incentives can be seen in a diverse range of industries. One area where positive outcomes have been unequivocally demonstrated is education. Through a review analysis of the IMPACT program, Dee and Wyckoff (2015) showed that knowledge upcoming financial incentives caused high performing teachers to remain in their positions for longer periods of time. The IMPACT program is a pay-for-performance initiative that was installed within the public-school system in the District of Columbia. The program attempts the weed out underperforming teachers and to incentive high performing teachers by informing them off not only their performance metrics, but where these metrics could potentially lead: dismissal for the underperforming and financial incentives for the high performing (Dee & Wyckoff, 2015). Along with finding

that retention increased for high performing teachers when they became aware of financial incentives, this research discovered the within the underperforming teacher population attrition went up when they were threatened with dismissal (Dee & Wyckoff, 2015). This solidifies the connection between financial incentives and organizational commitment.

Park and Kruse (2014) added further insight to this correlation by finding that organizational commitment mediates the relationship between financial incentives and the quality and quantity of employee work. This means that managers who want the financial incentive initiatives they put in place to be effective should pay attention to how committed their employees are to the organization. Furthermore, as increasing organization commitment can be done through financial incentives (Dee & Wyckoff, 2015; Ogbonnaya, Daniels, & Nielsen, 2017), a positive feedback loop can be initiated when these programs of monetary motivation are set up in the correct way. Other research has also found that financial incentives increase organizational commitment along with a myriad of other positive variables. In a study by Ogbonnaya et al. (2017) that looked at the ways that financial incentives effect the job satisfaction, organizational commitment, and trust of managers for private-sector employees in the United Kingdom, found that performance-based pay almost unequivocally positively impacted these three variables, which are also great indicators of employee performance.

The data for this study were collected using both a questionnaire and face-to-face interviews. In total, 13,657 individuals participated in the study. Of these participants, 1,293 were included in the interview part of the study. Furthermore, it should be noted

that all interview participants were high level managers at the organizations where they worked (Ogbonnaya et al., 2017). Besides the relationship between performance-based pay and organizational justice, job performance, and job satisfaction, this study also found that some types of financial incentive initiatives were less effective at producing these positive outcomes. Instead, employee satisfaction, commitment, and trust was unaffected, or even reduced by the presence of financial incentives (Ogbonnaya et al., 2017). The most important differentiating factor between the financial incentives that worked and those that did not were perceptions of fairness in how the funds were distributed. One way this finding is clearly demonstrated in this research study is that when levels of profit-related pay were low, the dependent variables were also low, but when profit-related pay was high so were these measures of employee well-being (Ogbonnaya et al., 2017). This demonstrated the need for financial incentives to reflect the interests of the employees as well as those of management, because when employee needs and well-being is not reflected, the productivity of employees will decrease no matter how robust an organization's financial incentive plans are.

This assertion backs up other research that found that employee perceptions that financial incentives are being given unfairly contributes to undesirable organizational outcomes (Beauregard, 2014; Cohen et al., 2015). For example, money given to manufacturing firms by government in the form of direct earmarks was shown to be associated with the production of fewer patents (Guan & Yam, 2014). This indicates a downward trend in productivity that can be directly connected to these types of government grant. Furthermore, as Direct Earmarks are given to specific people for

specific projects, there could be an aspect of this trend that is linked to a sense that the funds were distributed unfairly.

This finding, which shows the importance of financial incentives while also demonstrating the necessity of ensuring that these incentives are given fairly, offers important insights into what has caused the recently reported breakdowns in patient care at the VA. Although bonuses are routinely given within this organization, the individuals who receive these bonuses do not consistently demonstrate the performance outcomes that typically justify them (VA OIG, 2014). This may have created a perception of injustice within the VA that is making productive work within this organization more difficult to achieve.

### **Organizational Justice**

As mentioned previously, financial incentives that are viewed by employees being given fairly produce far better results for employee productivity, well-being, and commitment (Bakotic, 2016; Dee & Wyckoff, 2015; Ismail et al., 2018; Shaw & Gupta, 2015). The fairness of how bonuses are given can also be thought of as a question of justice (Shan et al., 2015). As the nature of giving bonuses involves differentiating between the works employees do so that some can be rewarded while others are not, the question of justice is at the heart of the conversation about financial incentives (Shan et al., 2015). One example of an unjust systems of workplace compensation is nepotism, which involves giving preferential treatment to employees based on their relationship to those with power in the organization and not on their work ethic (Acquaah et al., 2016).

Another example of an unjust workplace compensation is the fact that the pay CEOs receive is not based on how well they perform their job (Aguinis, Gomez-Mejia, Martin, & Joo, 2003). This means that a CEO could be achieving very little for the company, yet still receiving millions of dollars per year. If this occurs in the context of an organization where the employees are making much less money, it is easy to see how this type of injustice is demotivating. Conversely, workplaces that distribute financial incentives in a way is perceived as just motivate their employees much more easily. Garbers and Konradt (2014) showed this equity through research that found team-based incentives increased employee performance by a larger margin when they were equitably distributed rather than equally distributed. This shows that employees are more motivated by receiving more for good work, then by resources being spread evenly, even when they are the ones who receive less. There is logic to this finding, since a completely even distribution of monetary incentives gives those not naturally inclined to try hard no incentive to do so—they will be paid the same whether the work produced good or bad (Garbers & Konradt, 2014).

The perception of fairness with which an organization distributes its assets is called organizational justice (Rupp et al., 2017). As the above synopsis of justice in the workplace demonstrates, organizational justice is both important for motivating naturally hardworking employees, who might otherwise feel that there is no point in contributing to an organization that does not recognize them, and for motivating less naturally diligent employees, who might otherwise have no reason to try hard. The types of organizational justice can be broken down in the following ways: (a) distributive justice, which is



concerned with how the resources of an organization is moved throughout that organization, including the allocation of financial incentives; (b) procedural justice, which concentrates on the fairness of the methods by which resources are moved; and (c) interactional justice, which addresses the relational metrics involved in the sharing of information and can be further broken down into informational and interpersonal justice metrics (Krishnan, Loon, binti Ahmad, Alim, & Yunus, 2018). This closer look at the types of organizational justice show how clearly this idea is tied to SET; justice in the workplace is entirely concerned with how resources, whether they be financial, informational, or social, are distributed. In this context, fairness matters not as a measure of completely even distribution, but as a metric that dictates all employees should be treated and respected equally such that what they receive is aligned with how much effort they put into their work (Riaz, Xu, & Hussain, 2018).

Research into the role of organizational justice has been increasing over the last few decades (Cropanzano & Ambrose, 2015). Like financial incentives, the metrics of justice within which an organization operates, including how much larger social responsibility they feel, are positively associated with job satisfaction and organizational commitment (Asrar-ul-Haq, Kuchinke, & Iqbal, 2017). Given the importance of organizational justice, it should also be noted that values like social responsibility can work be utilized to increase employees' sense that they work for a just organization. A study by Schminke, Arnaud, and Taylor (2015) showed the importance of collective values to perceptions of organizational justice by looking at the connections between the perception that an organization has a moral compass and the sense of overall justice as

well as procedural justice communally held by the departments that make up that organization. The structure and size of both the departments and overall organization that the individual survey respondents worked in were utilized as control variables. The size of an organization was found to be slightly significant, with smaller organizations associated with less procedural justice. More importantly, it was found that the values held by a department were strongly connected to the climate of justice at that organization (Schminke et al., 2015).

The necessity to consider organization justice in the context of a study on financial incentives is further demonstrated by Chen et al (2015) research, which investigated the monetary and nonmonetary factors that influence the retention of hospital staff. This investigation demonstrated a causal relationship between organizational justice and how much employees trust in and identify with the organization where they work (Chen et al., 2015). These results reinforce the assertion that financial incentives alone cannot create positive employee outcomes. Wolfe, Rojek, Manjarrez, and Rojek (2017) added further credence to this assertion through research that showed procedural justice to be an integral part of a high functioning police force, specifically when individuals felt uncertainty about their jobs. Workers may otherwise have felt unsupported by their organization could gain trust and become more committed to their jobs simply due to the presence of a fair work environment (Wolfe et al., 2017).

The ability of an employee to be receptive to the feedback that their employer gives them has also been shown to be connected to organizational justice (Dusterhoff et al., 2014). Dusterhoff et al. (2014) were interested in this relationship since employee

appraisal has been linked to better outcomes, both for the employee on an individual level, and for the organization. To analyze how effective praise can be, praise was placed within the context of other workplace social interactions, including the perceptions of fairness, and the relationship between employees and their supervisors, as well as the overall sense of organizational justice. The effectiveness of praise was moderated by these other variables (Dusterhoff et al., 2014). From this finding, it can be concluded that a sense of organizational justice leads to more natural exchange between workers and supervisors.

The facilitation of trust is an incredibly important factor in the fostering this healthy exchange between employees and those they work for. Through a cross-cultural study that analyzed companies in Australia, China, and South Korea; Jiang et al. (2015) identified procedural and distributive justice as being particularly critical for fostering organization trust. Furthermore, it was found that organizational commitment also increased when these types of organization justice were present (Jiang et al., 2015). This second finding is particularly noteworthy, since the retention of high-quality employees is a critical way to improve the overall outcomes for an organization. Caution should be used when lumping the results of distributive justice and procedural justice together though, since the effects of these two types of organizational justice have been found to manifest in different ways (Pan, Chen, Hao, & Bi, 2018). This fact is important to keep in mind because nuance is essential for the adequate implementation of research into this topic (Rupp et al., 2017).

## **The Effects of Organizational Justice**

The positive outcomes of organizational justice detailed above are just a few of the effects that it can have on the institutions where it is implemented. It should also be noted that the absence of organizational justice has been found to have negative influence on employee wellbeing and productivity. For example, the rate of turnover intentions of workers has been linked to the fairness practices and morals that an organization demonstrates, with greater perceived justice contributing to lower attrition rates (Demir, Guney, Akyurek, Ugural, & Aslan, 2017; Shafiq, Khan, Bhatti, & Khan, 2017), while lower perceived justice makes it more likely that an employee will leave (Dee & Wyckoff, 2015).

Of interest to this research is the role that perceived organization justice has on job satisfaction and job performance, since the purpose of the present investigation is to explore employees' perceptions that the inconsistent distribution of financial incentives has on those three concepts. This section on potential effects that organizational justice seeks to specifically consolidate how that important workplace concept may bring about greater job satisfaction and job performance. This information should be understood within the context of the research already outlined, which first showed how financial incentives have been shown to affect the workplace, and then consolidated the research on the ways that organizational justice is and is not influenced by financial incentives. This section will include more information to the discussion of how financial incentives and organizational justice are linked, by also showing links between organizational

justice and other concepts that financial incentives effected, including job satisfaction and employee performance (Ogbonnaya et al., 2017; Shaw & Gupta, 2015).

Moreover, it is important to know that an enhanced concentration on organizational justice can affect the monetary practices of that organization (Marasi & Bennett, 2016). Marasi and Bennett (2016) performed a review of the literature that clearly demonstrated the possibility of this type of directional relationship between organizational justice and financial incentives. This research was specifically concerned with how pay openness versus pay secrecy affect the environment in which each method of pay communication is utilized. Pay openness has recently become more common, which may be attributed to greater concern for organizational justice among workers. This includes informational, interpersonal, and procedural justice, as well as distributive justice. A sort of feedback loop develops within this context, which entails a desire for justice to create a more open pay system and a more open pay system prompting greater justice in how organizational resources are distributed (Marasi & Bennett, 2016). This analysis clearly demonstrates the highly integral and impactful space that organizational justice occupies in the workplace. These greater effects are also addressed in this section through consolidation of the research on organizational citizenship behaviors as well as the literature on employee reactions to injustice in the workplace.

**Organizational justice and job satisfaction.** Overall, research has indicated that the more organizational justice employees feel there to be at their job, the greater the job satisfaction they feel (Arab & Atan, 2018; Demir et al., 2017; Ozel & Bayraktar, 2017). Specifically, corporate social responsibility has a large influence on job satisfaction

(Khan, Sarwar, & Khan, 2018). Khan et al. (2018) showed that organizational justice that incorporates an aspect of giving back to the larger community is clearly connected to both job satisfaction and the how committed the employees were to their organization. This study indicated that concern for the well-being of others, as well as one's own happiness, is a determining factor in how satisfied an employee will be in their job (Khan et al., 2018). This may be because companies that demonstrate that they care about those outside of their direct care demonstrate a higher level of thought towards justice.

Fostering job satisfaction should be a high priority of organizations, because happy employees are likely to stay with an organization for a longer period (Khan et al., 2018; Ko & Hur, 2013; Musringudin, Akbar, & Karnati, 2017). Research by Suifan, Diab, Amman, and Abdallah (2017) exemplified this through findings that showed the relationship between organizational justice and employee turnover is mediated by how satisfied an employee is at their job. A study by Demir et al. (2017) also looked at the interaction between organizational justice, job satisfaction, and job commitment; however, this study was interested in how commitment may mediate organizational justice and job satisfaction. Just as how happy an employee is can contribute to how long they remain in a job, this research found that the level of commitment an employee feels to their organization can cause them to perceive more justice at work and feel more content in their job (Demir et al., 2017). A slight relationship was also found between organizational justice and job satisfaction, and organizational commitment and job satisfaction, while a strong relationship was found between both organizational and distributive justice and job commitment (Demir, et al., 2017). Although the findings from

this study failed to draw a robust line between organizational justice and job satisfaction, many slight correlations were made. More importantly, these results again show how retention in a job is linked to justice and satisfaction at that job (Demir et al., 2017; Suifan et al., 2017) and exemplify the complicated relationship that exists between the issues that motivate employees to try harder at work. However, what remains clear is the tightly linked relationship that justice in the work place has with the satisfaction that employees feel at work, and adds more credence to the necessity of fostering both justice and satisfaction at workplace.

In terms of what types of organizational justice should be utilized as means to more content employees, research by Ko and Hur (2013) pinpointed procedural justice as particularly integral for fostering job satisfaction within employees. This type of organizational justice, which is predominately concerned with how the rules of an institution are both set up and implemented, can be implemented in the following three ways: consistent rule application, optimal rule control, and rule-formalization (Dehart-Davis et al., 2014). How each of these different methods for the execution of rules effects the happiness of employees was studied by Dehart-Davis et al. (2014). Through survey analysis of 1,665 questionnaires, it was found that when rules are implemented in the same way towards everyone who works at an organization, satisfaction with work increases. Furthermore, having some individual freedom in how rules are applied allows employees to optimize their personal skills and preferences (Dehart-Davis et al., 2014). These results show that the relationship between job satisfaction and organizational justice is contingent on both a perception that fairness exists within the organization (i.e.,

rules are applied uniformly), and that the organization recognizes the unique attributes that each employee brings to the table (i.e., some freedom in rules allows for better use of employee skills).

**Organizational justice and job performance.** A plethora of research studies have indicated that organizational justice and job performance are unquestionably linked (Arab & Atan, 2018; Caza et al., 2015). Acquaaah et al. (2016) specifically argued that interactional justice positively influences the effectiveness with which employees perform their job. Interactional justice pertains to the ways that resources, information, and other commodities of SET are exchanged, and can take place through human interaction or through the sharing of materials (Krishnan et al., 2018). The finding that interactional justice improves job performance is therefore indicative of how equitable distribution of job resources can improve organizational outcomes.

Other research has indicated different aspects of organizational justice to exert influence over job performance (Krishnan et al., 2018). Of interest to the present investigation is a study by Krishnan et al. (2018) that found connections between the job performance and fairness practices that are connected to the distribution of financial incentives. This study specifically looked at how the performance of workers is affected by environmental justice within a subset of workers employed at private manufacturing firms in Malaysia. This research looked at the subsets of distributive justice, procedural justice, and interactional justice separately, to gain a better perspective on the nuanced ways that organizational justice may exercise influence on job performance. Statistical analysis showed distributive justice to be the only type of organizational justice to



exercise influence on how well employees do their jobs (Krishnan et al., 2018). This finding indicates that financial incentives may be an important aspect of getting employees to do their work at a higher caliber. Since bonuses that are perceived as having been distributed have also been shown to increase the productivity and quality of work (Landry et al., 2017), this finding makes sense.

Aryee et al. (2015) also specifically looked at the connections between the concepts of organizational justice and job performance. The study compared these concepts using intrinsic motivation, need satisfaction, and trust in an organization, which were utilized as direct influences of an individual's job performance (Aryee et al., 2015). The most robust results of this study were the mediating relationships between these factors of job performance and organizational justice. A relationship between the three factors of job performance was found, that showed intrinsic motivation exercises influence on the both the relationship between need satisfaction and job performance, as well as the relationship between trust in an organization and job performance. Furthermore, need satisfaction was found to mediate the relationship between overall justice and trust in the organization (Aryee et al., 2015). Factors that mediate the connection between organizational justice and job performance are also important to pay attention to, as these mediating relationships can provide information on how greater job performance can be created in the workplace.

The organizational support that an employee feels they receive has been found to increase the relationship between an employee's sense of fairness at work and how hard they work (Acquaah et al., 2016). This indicates that bosses should take care to be in

communication about what they require of their employees, as well as responsive to the needs of these employees. Both actions help employees understand what is needed of them, and that they are being heard and valued, which in turn causes them to feel more supported at work. The commitment that an employee feels to the organization where they work also mediates the relationship between environmental justice and job performance (Swalhi, Zgoulli, & Hofaidhllaoui, 2017).

**Organizational citizenship behaviors.** Organizational citizenship behaviors are essentially the application of concepts of organizational justice to the ways that one personally behaves within an organization. At the heart of both organizational justice and organizational citizenship behaviors is a moral code that motivates actions that are fair, kind and respectful (Lim & Loosemore, 2017). It should therefore be unsurprising that organizational citizenship behaviors are a commonly cited outcome of organizational justice (Chan & Lai, 2017; Marasi, & Bennett, 2016; Saifi & Shahzad, 2017). Saifi and Shahzad (2017) found a direct link between organizational justice and organizational citizenship behaviors that meant the ways that employees conducted themselves improved when they worked for a company they perceived as fair and moral. Furthermore, it was found that job satisfaction mediated the relationship between organizational justice and organizational citizenship behaviors in a way that increased the connection when job satisfaction was higher (Saifi & Shahzad, 2017). Chan and Lai (2017) further demonstrated the link between organizational justice and organizational citizenship behaviors, while also linking both the satisfaction that an employee feels with the level of communication at their job. Analysis showed all three to be positively

correlated, and that organizational justice and communication satisfaction can work as positive mediators on the relationships between organizational justice and citizenship behavior (Chan & Lai, 2017). This finding is important because it links communication, which can be conceptualized as a method of exchange within the SET framework, to the broader discussion.

A study by Musringudin et al. (2017) looked at how organizational justice, job satisfaction, and organizational commitment influence the amount of organizational citizenship behavior that an employee displays. This study is of significance to the present research because it incorporates two concepts of interest and shows how they may cause employees to behave in ways that are more conducive to the functioning of the organization within which they work, (i.e., organizational citizenship behaviors). Analysis of the data collected for this study showed that organizational justice improves all of three of the other features, and that job satisfaction improves both organizational citizenship behavior and organizational commitment (Musringudin et al., 2017). These results provide further proof for how important fostering organizational justice and job satisfaction are, since both factors exert influence on how employees will behave.

Research by Lim and Loosemore (2017) further investigated the ways the organizational justice influences the organizational citizenship behaviors of employees within the construction industry. More specifically, the research was concerned with how perceptions of interpersonal justice and informational justice influence each other as well as how they influence perceived distributive justice, perceived procedural justice, and organizational citizenship behaviors (Lim & Loosemore, 2017). As interpersonal and

informational justice are the subsets of interactional justice, this research was primarily concerned with how the ways in which exchanges on a personal level affect the culture of an organization. The analysis made space for both exchanges that take place within the context of conversation and other types of interaction as well as those that take place through the passing on of documentation and other types of materials to be significant. However, the results of the analysis showed that interpersonal justice was the only critical component of the two in fostering organizational citizenship behaviors (Lim & Loosemore, 2017). This finding shows just how important the quality of interaction and engagement with co-workers, supervisors, and anyone else engaged with at work, is to the how an employee conducts themselves at work. This finding is also consistent with the ideas put forth by SET, because it shows how the interpersonal exchanges that take place at work are directly linked to the quality of that workplace experience.

The distinctive effects that the different types of organizational justice may have on positive organizational behavior, which is the way to frame the good side of organizational citizenship behavior, were further analyzed in research by Pan et al. (2018). This study was organized under the assumption that the level of organizational justice within an institution can function as a predictor of employee and organizational outcomes. From the vantage point of this assumption, a hypothesis that connected the level of organization justice to the level positive citizenship behavior was purposed. These speculations not only dealt with the relationship between organizational justice and citizenship behavior in the abstract, but put forth that the actions that make up positive citizenship behavior will become more common as organizational justice rises (Pan et al.,

2018). Another hypothesis, which posited that procedural and distributive justice will have different effects on both positive and negative organizational citizenship behavior was also proposed. Similar to the other research on the connection between organizational justice and positive citizenship behavior, this study showed both to be connected, so that more organization justice increased positive organization behaviors and less organizational justice fostered less pleasant behaviors. Furthermore, the results indicated that both distributive and procedural justice have impacts on organizational citizenship behaviors, however, the way these effects manifest is quite different (Pan et al., 2018). This indicates that all aspects of organizational justice work to increase organizational citizenship behaviors.

**Outcomes of perceived injustice.** Just as organizational citizenship behaviors can be increased by a sense of organizational justice, a perceived lack of organizational justice can contribute to more deviant behavior in the workplace (Huang et al., 2015; Pan et al., 2018). Pan et al. (2018) not only analyzed how positive organizational behaviors are influenced by organizational justice, but also looked at the way a lack of organizational justice may influence negative organizational behaviors. The researchers found that the correlation between organizational justice and negative organizational behavior was just as strong as that between organization justice and positive organizational behavior; however, the relationship worked in opposite directions, so that less organizational justice insights more negative organizational behavior (Pan et al., 2018).

This could help explain the continued inadequacies of the work done at the VA, since viewing the mistreatment of customers can cause employees to perceive organizational injustice and trigger the same reactions that would occur if this injustice was happening to them (Dunford et al., & Boss, 2015). This makes sense since organizational justice that incorporates concern for the larger community has been found to increase employee satisfaction (Khan et al., 2018). Employee reactions to the opposite treatment of third parties is consistent with these findings. For example, the maltreatment of business patrons has been shown to produce the negative outcomes of customer sabotage and emotional exhaustion (Baranik, Wang, Gong, & Shi, 2014). Employee inadequacies within the context of the VA could, therefore, be a byproduct of the mistreatment of the veterans who utilize their services.

Colquitt et al. (2015) also analyzed the link between organizational justice and citizenship behavior through an investigation that took a multi-pronged approach that used multiple study methods. More specifically, their study aimed to prove that there is a difference between the ways that positive and negative organizational citizenship behaviors manifest themselves, as employee reactions to justice versus injustice have traditionally been viewed as a continuum that shows very little nuance. The first study that the researchers did used face-to-face interviews with 50 executive students currently pursuing their MBAs. A total of 100 interviews were held, with each student taking part in an initial as well as a follow up interview (Colquitt et al., 2015). The results of these interviews were coded into 12 themes and then analyzed. This analysis showed that some themes typically associated with unpleasantness, including superficial reactions, hostility,

distraction, and counterproductive behavior, were consistent with previous research on organizational injustice, meaning that the outcomes for these factors were the ones predicted.

Conversely, the features of pleasantness, trust, self-esteem, reciprocation, task performance, and citizenship behavior showed results that differed from the conceptualized norm of how employees are supposed to react to injustice (Colquitt et al., 2015). Similarities between the themes in each grouping of results can be drawn. Most obviously, those that fell into the category that was consistent with previous research have a more intrinsically negative nature, while those in the second category can be construed as having some inherent positivity which seemed to outweigh injustice even when it was present. These results therefore showed that there are differences in how individuals respond to justice and injustice, and that under certain circumstances justice may matter more than its opposite counterpart (Colquitt et al., 2015). This research offers great insight into the ways that injustice in the workplace may be overcome so that productivity and motivation may continue even when unsavory aspects of the working environment cannot be avoided. Most notably, supervisors should try to concentrate on fostering a pleasant and reciprocal environment where their employees can find trust and self-esteem through the encouragement of task performance and citizenship behaviors.

### **Job Satisfaction and Job Performance**

Just as organizational justice has been shown to have relationship with the other aspects of importance to the present research, job satisfaction and job performance have been shown to be connected (Bakotic, 2016; Platis et al., 2015). This connection is

important to the present research because an aspect of its purpose involves investigating the lived experiences of VA employees' job satisfaction and job performance, specifically in regards to how the inconsistent distribution of financial incentives contributes to how much of each these concepts is felt. The preexisting literature regarding financial incentive's effects on both job satisfaction (Ogbonnaya et al., 2017), and job performance (Bakotic, 2016; Francis & Clancy, 2016; Ismail et al., 2018; Young et al., 2015) has already been looked at. However, to have a clear perception of the ways all concepts analyzed within this research may interact, the established connections between job satisfaction and job performance should also be discussed.

As discussed earlier, job satisfaction has been found to produce positive outcomes including more committed employees (Musringudin et al., 2017; Suifan et al., 2017). Job performance also contributes to desirable employee outcomes, including higher levels of effectiveness and quality and more robust knowledge management practices, as well as the better management and development on the organizational level (Platis et al., 2015). Furthermore, it has been found that job performance leads to the greater satisfaction of employee needs (Lăzăroiu, 2015). Fostering job performance and employee satisfaction is therefore quite important and looking at how they connect can help streamline the processes by which both are increased within the workforce.

In a study of a population of nurses, Platis et al. (2015) attempted to gain greater insight into how job satisfaction and job performance are linked through the collection of survey data. The survey gathered information on the factors that most heavily influence satisfaction and performance at work. Although the findings showed different factors to



be most influential on job satisfaction (the most integral factors were: respect or recognition from manager and administration; satisfaction with the ways and hours one works; and a sense of security at work) and job performance (the most influential factors were: employee feelings of productivity, quality, initiative, an improvement of their work), they did provide insight into how job satisfaction and job performance are connected, since both were analyzed along the same parameters (Platis et al., 2015).

Bakotic (2016) took a more direct approach when studying job satisfaction and job performance, by directly comparing the influences that they exact upon each other. Both options for a directional relationship between job satisfaction and job performance were scrutinized, in a way that allowed the influence on performance from satisfaction and the influence on satisfaction from performance to be managed as completely different outcomes. Analysis of the results of a large survey showed that both directional relationship between job satisfactions do exist, and that both relationships are positive, so that the presence of one increases the presence of the other (Bakotic, 2016). However, that statistically significant relationships between job satisfaction and job performance were quite weak, which is in keeping with mixed results from the literature on whether a relationship between satisfaction and performance exists at all (Bakotic, 2016). Despite the debate, the fact that any relationship has been found at all should be kept in mind within the context of the investigation detailed within this dissertation.

### **The VA in the Context of the Literature**

Although VA hospitals have been found to function better than non-VA hospitals in terms of certain measures of inpatient safety, mortality, and effectiveness, it remains

the case this government institution continues to perform worse than its non-VA counterparts on measures of readmission (Price, Sloss, Cefalu, Farmer, & Hussey, 2018). A failure to follow up with at risk patients was exactly the issue that caused the scandalous deaths of over 20 VA patients in 2014 (VA OIG, 2014). As stated earlier, one way that reform within the VA has been attempted is through the implementation of financial incentive programs (Devi, 2014; USDoVA, 2011). However, trends in the ways that these financial incentives are given out has created circumstances where underperforming employees and executives are rewarded despite their poor work (Devi, 2014). This type of inconsistent allocation of financial incentives, which could also be describes as distributive injustice, has been shown to foster poor work outcomes, and could therefore account for some of the unsatisfactory outcomes at the VA.

Despite the trend of inconsistent financial incentives at the VA, research by Francis and Clancy (2016) did show that pay-for-performance initiatives can be effective within the context of this organization. However, it was also found that the nuanced desires of the diverse group of healthcare providers employed within the VA must be accounted for a program of this nature to be successful (Francis & Clancy, 2016). Without this nuanced perspective, practices of organizational injustice may become the norm. Therefore, a lack of individual consideration when it comes to how financial incentives are spread throughout the VA may be another reason as to why these monetary programs fail to produce their desired results.

Furthermore, new initiatives in how the recipients of financial incentives at the VA are chosen could be causing issues for the organization. The effectiveness of the

implementation of pay-for-performance programs within the VA was also considered by Urech et al. (2015). In this study, a new method for judging the performance of VA employees that utilized an automated electronic health records system was compared to the old, analog way of looking at performance via chart reviews. This research showed that the financial incentives given to VA employees based on their performance differed depending on which method for analyzing patient care outcomes was used (Urech et al., 2015). It is possible that systems such as these are part of why financial incentives at the VA are given in a seemingly haphazard way.

Another way that organizational injustice may be found within the VA is through the mistreatment of the individuals who utilize the services of this organization. The negative side effects of injustice and unfairness have ripple effects on the workers at an organization, even if these injustices are not being affect upon the employees themselves (Dunford et al., 2015; Khan et al., 2018). Institutional barriers, such as large patient care workload causing insufficient time to complete tasks and badly organized work spaces that make it more difficult to efficiently get work done, may also contribute to negative organizational and employee outcomes at the VA (Yanke, Moriarty, Carayon, & Safdar, 2018).

The VA is the largest health care delivery system in the United States, which means that creating best outcomes for this organization is of utmost importance (Schult et al., 2017). Furthermore, more research needs to be done that looks at the ways that employee morale effects patient outcomes within this organization. A study by Schult et al. (2017) looked at how burnout effects the distinct populations of physicians, nurses,

other clinical, administrative, and trade, craft, and labor workers within the VA. For this research survey data was collected that provided insight into the level of burnout that employees were feeling by categorizing them into one of eight different levels of engagement at work. Almost a quarter of all VA employees who were interviewed showed signs of dangerous burnout that puts them at greater risk for anxiety, depression, sleep disorders, low back disease, and physical inactivity (Schult et al., 2017). Ways to counter burnout, including task delegation, have been identified (Edwards et al., 2018). However, research that looks at the effects of these negative outcomes on both the lived experiences of VA employees and VA patients is severely lacking. One study by Gilmartin et al. (2018) did begin to clarify how job satisfaction can bring about better outcomes for VA patients through a study that connected this measure of happiness at work to less risk of central line-associated bloodstream infections. These results give credence to the assertion that the wellbeing of VA patients is inextricably tied to the wellbeing of those assigned to care for them.

Improvements to the system of patient care are being actively pursued within the VA. One example of a new standard that has begun to take root in the organization is the Patient Aligned Care Team (PACT) approach, which incorporates traditional geriatric care with neuropsychological services to provide more well-rounded treatment to patients (Rasin-Waters, Abel, Kearney, & Zeiss, 2018). Algorithms have also begun to be assimilated into the patient care process at the VA, which has allowed for the identification of potential patient problems earlier, which in turn allows for superior treatment of patients (Rasin-Waters et al., 2018). Following the lines of reasoning already

laid out in this review of the literature, these improvements to the practices at the VA could lead to higher perceptions of organizational justice, which in turn could lead to higher job satisfaction and job performance (DeHart-Davis, et al., 2014; Devi, 2014). Considering the positive effects that these three concepts have been shown to have on an institution, making better practices for patient care within the VA more common is another important aspect in terms of improving the functioning of this organization.

### **Summary and Conclusions**

This chapter includes the issues associated with negative perception of financial incentives practices, organizational justice, job satisfaction and performance. The search strategy and sources of information for the literatures reviewed were also part of this section. The social exchange theory (SET) theory was identified as the appropriate lens in exploring the concepts of financial incentives, organizational justice and job satisfaction. Reviewed literatures highlighted that financial incentives giving to employees is an effective way to improve quality and quantity of the work that is produced (Bakotic, 2016; Ismail et al., 2018; Shaw & Gupta, 2015; Young et al., 2015). One common method for determining which employees should receive these financial incentives are pay-for-performance programs, which reward employees whose work is superior to that of others (Conrad et al., 2018; Shaw & Mitra, 2017; Urech et al., 2015; Williams & Zhou, 2016). Pay-for-performance initiatives have been found to improve employee outcomes (Francis & Clancy, 2016; Gerhart & Fang, 2014; Han et al., 2015). Other research into financial incentives has shown that the environment and type of incentive matters (Cerasoli et al., 2014; Mokhniuk & Yushchvshvna, 2018), and that financial incentives

also positively contribute to better outcomes for employees and organizations in areas other than performance (Belle & Cantarelli, 2014; Olubusayoa et al., 2014; Park & Kruse, 2014).

Research into organizational justice, which deals with how fair the operations, culture, and any other factor that influences the distribution of assets at an organization, is (Rupp et al., 2017), illustrates the ways that the financial incentives and justice are linked (Acquaah et al., 2016; Aguinis et al., 2003; Shan et al., 2015). High organizational justice fosters several improved outcomes within an institution (Asrar-ul-Haq, 2017; Dusterhoff et al., 2014; Jiang et al., 2015), and can be fostered through collectively held values and morals (Khan et al., 2018; Schminke et al., 2015; Wolfe et al., 2017). Furthermore, paying attention to organizational justice is important, because this concept exercises as much influence (and sometimes more) on positive outcomes as financial incentives do (Chen et al., 2015). Organizational justice is therefore an important place to concentrate inquiry in cases where financial incentives do not seem to be having the intended positive effects on employee and organizational outcomes. This is made even more obvious by research that draws a directional relationship between organizational justice and how financial incentive programs within the workplace are implemented (Marasi & Bennett, 2016).

Organizational justice effects many different aspects of employee and organizational functioning. In terms of this research, the effects that organizational justice has on job satisfaction and job performance are most relevant, as these are the other two concepts whose relationship to the inconsistent distribution of financial incentives within

the VA are being studied. Overwhelmingly, organizational justice has been found to positively influence both job satisfaction (Arab & Atan, 2018; Demir et al., 2017; Khan et al., 2018; Ozel & Bayraktar, 2017) and job performance (Aryee et al., 2015; Caza et al., 2015; Krishnan et al., 2018; Landry et al., 2017). There have also been strong correlations found between organizational justice and the way the employees behave at work, so that greater organizational justice causes them to conduct themselves better (Chan & Lai, 2017; Musringudin et al., 2017; Pan et al., 2018; Saifi & Shahzad, 2017), while less organizational justice predispositions employees to behave in more deviant ways (Huang et al., 2015; & Khan et al., 2018).

Although much research has shown that how financial incentives are distributed affects the ways that employees work (Bareket-Bojmel et al., 2014; Francis & Clancy, 2016; Han et al., 2015; Shaw & Gupta, 2015), little is known about how the inconsistent distribution of financial incentives at the VA affect the ways that employees within this organization do their work (DeHart-Davis et al., 2014; Devi, 2014). The literature demonstrates a research gap and lack of study in employees' perceptions of workplace level of organizational justice, job satisfaction, and performance due to inconsistent distribution of financial incentives. More research into the area is needed before changes to improve outcomes can be made (Urech et al., 2015). Furthermore, the area of research that looks at employees' perceptions of organizational justice, job satisfaction, and performance is generally understudied (Lourenço, 2016). Specifically, greater knowledge is needed on how perceived organizational justice, job satisfaction, and performance may be affected when bonuses are distributed in a way that is unjust. This research is

important because the uneven distribution of resources may be an underlying cause in the failing in care that have been cited within the context of the VA (VA OIG, 2014). This research address this gap through the utilization of qualitative research methods that gained insight in the lived experiences of VA employees. The next chapter provides details and rational for the research methods used.



### Chapter 3: Research Method

The purpose of this qualitative transcendental phenomenological study, as described in Chapter 1, was to explore the lived experiences of VA employees that informed their perceptions of their workplaces' level of organizational justice, their job satisfaction, and their performance due to inconsistent distribution of financial incentives. Whereas Chapter 2 includes a closer look at the academic and practical literature surrounding the research problem, Chapter 3 now serves to offer a more in-depth look at the methodological considerations for the study. The chapter begins with a discussion of the overall qualitative approach and the specific choice of a phenomenological design. Following this, the chapter addresses broad methodological issues. These include the population and sample for the study, the research instrument, and the data analysis plan. Then the chapter considers trustworthiness, the qualitative counterpart to reliability and validity, along with ethics. Finally, the chapter concludes with a summary.

#### **Research Design and Rationale**

The following central research question (CQ) and two subquestions (SQ) served to guide the study:

CQ: What are the lived experiences of VA employees with respect to the inconsistent distribution of financial incentives, and how have these experiences shaped their perception of the level of organizational justice in their workplaces?

SQ1: How have the lived experiences of VA employees with respect to the inconsistent distribution of financial incentives shaped their job satisfaction?

SQ2: How have the lived experiences of VA employees with respect to the inconsistent distribution of financial incentives shaped their self-perceived job performance?

The central concepts in this study are inconsistent distribution of financial incentives and organizational justice. Accordingly, the conceptual framework is grounded in understanding the influences of financial incentives practices as it pertains to employees' perceptions of organizational justice, job satisfaction, and performance (Garbers & Konradt, 2014). For this study, financial incentives referred to any monetary incentives, such as bonus pay or pay for performance, which seek to incentivize better employee performance (Urech et al., 2015), and organizational justice is the perception of how just or fair the operation of a specific organization is (Rupp et al., 2017). The overall research method for the study was qualitative. Qualitative research is one of three main approaches to research, and this methodology focuses on subjective issues, examining participants' perceptions and using open-ended exploration to describe phenomena (Merriam & Tisdell, 2015). Inherent in this is that a qualitative approach allows for open-ended, flexible exploration of participants' opinions, experiences, and descriptions (Corbin et al., 2014). This flexibility is particularly advantageous in research on topics that have not yet been fully explored because it gives the researcher the freedom to explore new or unexpected perspectives with participants as they emerge (Merriam & Tisdell, 2015).

Qualitative, open-ended questions are exploratory and can serve to more fully develop the subject matter from a subjective, humanistic perspective (Merriam & Tisdell,

2015). Another attribute of qualitative inquiry is that it is intrinsically contextual. Qualitative research explores phenomena holistically, studying them within their natural context rather than isolating them to study outside of that context (Merriam & Tisdell, 2015). This makes it ideal for studying deeply contextual and subjective issues such as those of organizational justice, inconsistent rewards, and job satisfaction. While such concepts can be quantitatively operationalized, that approach yields a significantly less richly nuanced result. Additionally, the study seeks to explore an aspect of financial incentives that is not yet fully understood, and one which is necessarily subjective in nature. This makes qualitative research suitable for both its exploratory nature and its focus on subjective perceptions. Therefore, a qualitative approach is ideal for the study.

By contrast, quantitative research is closed-ended and numerical (Bryman & Bell, 2015). Rather than examining subjectivity or exploring phenomena, quantitative studies seek to quantify variables in short-form, closed-ended responses and then examine the empirical relationships there between (Bryman & Bell, 2015). To do this, quantitative studies require a highly complete theoretical framework to direct them along with easily quantified variables (Bryman & Bell, 2015). The study considered relational issues. However, the researcher is concerned not with the strict, numerical relationship between two tightly defined variables, but instead exploring how participants perceive one broad issue as affecting other broad issues. Furthermore, the exploratory nature of the study is at odds with the quantitative need to have existing theory to guide a study. Therefore, a quantitative approach would be a poor fit for the study. Similarly, mixed methods research would be a bad fit because its quantitative component would be inappropriate.

## **Research Design**

The specific research design was transcendental phenomenology. Phenomenology allows a researcher to elicit the essence of participants' shared experiences from a reductive analysis (Silverman, 2016). Thus, phenomenology seeks to characterize the phenomenon under study by examining the accounts of those who have experienced it, then comparing their accounts to identify the essence of what is shared between them, thus defining the phenomenon (Moustakas, 1994). The phenomenological approach is appropriate to the study because the study is explicitly focused on examining the lived experiences of VA employees and then using these lived experiences to determine the way in which those workers perceive the distribution of financial incentive to shape their responses in terms of important outcomes such as perceived organizational justice.

Phenomenology can be transcendental or empirical. The transcendental phenomenological approach enhances researchers' ability to go beyond the phenomena and meanings being explored to take a comprehensive view of the essences discovered (Sloan & Bowe, 2014). Transcendental phenomenology bolsters the strengths of phenomenology through a stronger bracketing process in which the researcher carefully acknowledges and sets aside all expectations, biases, or other outside factors and focuses on determining only the essence of what the participants have said (Silverman, 2016). By contrast, empirical phenomenology does not focus on the same level of bracketing and instead focuses on the empirical nature of the experience. Given that I have acknowledged biases and preconceptions regarding the results of the study, the transcendental approach is most preferable.

The perceptions of VA employees on financial incentives practices have not been studied previously, and it is anticipated that participants will have complex interpretations of these practices, organizational justice, job satisfaction, and employee performance. Given these expectations of the study, a qualitative transcendental phenomenological design is the most appropriate for capturing the complexity and variation in VA employees' perspectives and experiences (Moustakas, 1994; Silverman, 2016). Other qualitative research designs are less appropriate. For example, case studies explore context more deeply (Yin, 2017), but the study is more deeply concerned with the central research phenomenon than it is with examining issues of context. On the other hand, grounded theory (Glaser & Strauss, 2017) can build theory from the data, but this approach would be too extreme when some degree of existing theory, such as SET, is already applicable.

### **Role of the Researcher**

The role of the researcher in this study is characterized by that of a phenomenological researcher. The researcher interacts with the participants from this position, remaining as objective as possible. To aid this, I will adopt the phenomenological practice of bracketing my experiences and using epoche (Silverman, 2016). This process consists of the careful acknowledgment of all biases, preconceptions, and other aspects of the researcher's worldview that would serve to influence the study or its data analysis and then purposefully setting them aside. The resulting state is known as epoche and represents the researcher's attempts to make himself a blank slate for the

purposes of the study. While it was impossible to fully achieve such a state, I achieved it to the degree possible to create the most unbiased results feasible.

In the interests of this, those biases are discussed herein. One source of preconceptions and bias is my familiarity with the 2014 VA scandal. This event created the expectation of low organization justice within the VA. In addition, conducting the review of the literature and developing the background for the study influenced my perceptions of the VA, financial incentives, and/or organizational justice. To alleviate bias, I completed journal entries on perceptions, thoughts, and feelings relating to VA scandal, financial incentives practice, and organizational justice to release all preconceived notions on the phenomenon. In addition, to avoid conflict of interest, I ensured that participants in this study did not have a prior relationship with me.

## **Methodology**

### **Participant Selection Logic**

The population of interest for the study was all VA employees in the VISN 7 network of the VA. This network, also known as the VA Southeast Network, serves veterans in the states of Alabama, Georgia, and South Carolina. Employees in the population of interest were employed by the VA for at least 3 years as to establish a period of relevant experience. Beyond this, no demographic limitations were imposed upon the study population. Ideally, the study included employees from multiple levels of the network, including low-level employees and managerial employees. However, given the nature of the research topic, low-level employees were of greater interest and relevance for the study.

Sampling for the study was purposive in nature, targeting participants with relevant experiences, and employed a snowballing approach. Given the low sample sizes used in qualitative research, purposively targeted samples are preferable to ensure that all data collected were relevant (Mason, 2010). To avoid any conflicts of interest with the VA administration, potential participants were identified and contacted using their profiles on LinkedIn, a professional networking site. Participants were contacted using a LinkedIn message that briefly described the study, its purpose, participation criteria and requirements, my contact information, and a request to participate. Interested prospective participants were asked to contact me. Those who express interest was also asked to refer their coworkers for participation, increasing the sample size through chain referrals.

The sample size for the study was originally expected to be 15 VA employees; however, data saturation occurred after 12 interviews (Kerr et al., 2010; Mason, 2010). In qualitative research sample size need not be large (Malterud et al., 2016). This is especially true because collecting and analyzing qualitative data requires a significant investment of time and resources; furthermore, qualitative results do not benefit from repeated answers as do quantitative results (Mason, 2010). Various authors recommend a sample size of five to 25 for phenomenological studies. However, Morse (2015) suggested that the determination of sample size depends on consideration of the quality of data, scope of the study, nature of the topic, and the qualitative method and study design used. Based upon these concepts, I collected data for the study from 12 VA employees (Kerr et al., 2010; Mason, 2010) using face-to-face interviews. The initial choice of 15 participants for this study was flexible and depended on the peak of data

collection and no new information emerges. This is referred to as the point of saturation and is reached when the researcher has collected the full range of responses available within the target population (Mason, 2010).

### **Instrumentation**

I used a single source of data for data collection, that of qualitative, semi-structured interviews (Kallio, Pietilä, Johnson, & Kangasniemi, 2016). The semi-structured interview represents the primary and predominant method of collecting qualitative data because of its versatility and flexibility (Kallio et al., 2016). In semi-structured interviews, the researcher both prepares an interview guide and allows the interview itself to dictate parts of the data collection. Although the interview guide represents an initial list of sample questions and the topics that need to be addressed to fully answer the research questions—hence the structured portion—this guide was not a complete list of all that may be discussed. The researcher may, where appropriate, deviate from the guide to ask follow-up questions, probing questions, or otherwise further probe into the participants' relevant experiences (Kallio et al., 2016). This is what makes them only semi-structured and provides the semi-structured interview with its flexibility.

I developed the interview guide for the study regarding the literature. Unlike quantitative inquiry, qualitative research rarely re-uses the existing instrumentation developed by prior researchers (Merriam & Tisdell, 2015). This is because the specificity of the issues explored by qualitative research is such that prior researchers' instruments are rarely relevant or applicable. Therefore, in developing the interview guide, I carefully reviewed both the academic literature regarding the relevant topics and the research



questions guiding the study. A section of the interview guide was developed to address each specific research question. The interview guide is included as an appendix to the study.

### **Procedures for Recruitment, Participation, and Data Collection**

Data collection was achieved through the following process. Firstly, I applied for and obtain the university IRB approval. Once I obtained the approval (approval number for this study is 03-29-19-0458351), I commenced recruiting participants. To avoid the need for site authorization (as there are potential conflicts of interest on the part of VA facilities), I contacted potential participants directly and individually. The participant identification process was through LinkedIn, a professional networking site which allowed me to identify VA employees in VISN 7. Once a few potential participants were identified, I used a snowball approach in which participants who expressed interest in the study were also asked to refer someone who meets the criteria of the study and who might be willing to participate in the study. I contacted participants through LinkedIn's messaging system. The recruitment message briefly described the study, its purpose, participation criteria and requirements, my contact information, and a request to participate. Interested prospective participants was asked to contact me using their non-work e-mail addresses or may optionally contact me through phone or email. A copy of the same message was provided to interested participants for use in recruiting other participants referred as well.

Once potential participants contacted me, I briefly screened participants for inclusion criteria. Participants that passed the screening process was emailed the

informed consent. Participants were requested to indicate their consent by replying to the email with the word, "I consent." Once I received participants consent, I scheduled an interview with the potential participant in a private location agreed upon by the participant and me. The interviews lasted between 30-90 minutes and I audio recorded the interviews with participant permission. These interview recordings were transcribed by me. Once the transcription was completed, I emailed the participant a copy of the transcript to ensure that the data recorded and the transcription therein accurately represents the interview and the answers that the participant intended. Once this member checking process was complete, the data were input to NVivo for qualitative data analysis.

At all points in the research process, care was taken to protect the confidentiality of participants and data. Each participant was assigned a codename that was used during the interview and data analysis and whenever the participant is referenced in the data reporting. All data were protected. Physical data were kept in a locked drawer of my desk, whereas virtual data were kept in a password protected file on my personal computer. All data will be kept for 5 years after the publication of the study, then destroyed.

### **Data Analysis Plan**

Data analysis for the study used Moustakas' (1994) seven-step process for analyzing phenomenological data and NVivo software in organizing and processing the interview data. Figure 2 depicts Moustakas seven-step data analysis process.



*Figure 2.* Seven-steps of data analysis (adapted from Moutakas, 1994).

The first step in the data analysis plan is to refrain from judging whether anything exists (epoche). This step consists of careful phenomenological bracketing as described in the prior role of the researcher section, in which I carefully reflect upon, acknowledge, and set aside any biases, preconceptions, or other worldview factors that could affect the

analysis. From this stage, I engaged with the verbatim transcription of the recorded data. NVivo was used for coding and organization, helping me in identification of themes, and developed meaningful conclusions relating to the study problem. From this, I proceeded to the third stage of transcendental-phenomenological reduction. In this step, I reduced the data to irreducible units of meaning. These units of meaning of invariant horizons represent the building blocks for the analysis. Each unit was assigned equal value in the analysis process (Moustakas, 1994).

In the fourth stage of the analysis, I reconstructed the experience using the blocks of meaning (Moustakas, 1994). This stage requires careful attention to the data to ensure that the rebuilt notion of how the basic blocks of meaning combined is reflective of the participants and not the researcher. In the fifth stage, I then synthesized the various rebuilt, combined, meaningful ideas from stage four into a more coherent picture of the essence of the participant's experiences. Though this is similar to a summary, calling it such undercuts the careful construction of meaning, and the essence thus transcends simple summary. In the sixth stage, steps two through five are repeated for each participant until saturation was achieved (Moustakas, 1994). Finally, the seventh stage represents the combination of the participants' perspectives. This characterizes the phenomenon through collective description as well as the comparison of the different essential pictures of what it represents. The compared, combined data are then compiled into a report which was considered to characterize the essence of the shared experience.

### **Issues of Trustworthiness**

When conducting qualitative research, such as this phenomenological study, the researcher must discuss the procedures for addressing issues of trustworthiness (Fusch, Fusch, & Ness, 2018). Unlike other qualitative studies, phenomenological study necessitates varied procedures for instituting the study trustworthiness. Van Manen (2014) noted that a valid phenomenological study must elicit a sense of wonder, contain detail descriptions that the audience understood, offered reflective insights, remain focus on the phenomenon, resonate with the audience, use vivid language that encourages the audience to examine their own experience, and provide a new insight or clarification. I adhered to these criteria while conducting the study, analyzing participant responses, and interpreting data.

Trustworthiness, the qualitative counterpart to quantitative notions of reliability and validity (Merriam & Tisdell, 2015) is split into four primary components: transferability, dependability, confirmability and credibility. Yin (2017) urged the inclusion of measures of trustworthiness into the research design by addressing trustworthiness aspects of credibility, transferability, dependability, and confirmability. This study includes each of these aspects of trustworthiness and ethical procedure.

#### **Credibility**

Credibility is the qualitative counterpart to internal validity (Merriam & Tisdell, 2015). Credibility refers to the ability of the results to speak to the issues they are supposed to—the study's ability to answer the questions it set out to study (Merriam & Tisdell, 2015). A study that is credible is one where the researcher is confidence about

the truth of data and the interpretations of the data. Therefore, credibility was established first and foremost through careful alignment of study components. The research problem informs the purpose, which in turn shapes the research questions. The research questions shape the methodology and specifically the interview guide.

As participants' perspectives and experience is the focal point of the phenomenological study (Silverman, 2016), establishing credibility through member checking, continue to be an essential provision that bolsters study credibility (Morse, 2015). Furthermore, to ensure that the results of the interviews reflect the answers the participants gave to the interview questions, I requested each participant to also participate in member checking (Morse, 2015). Interview transcripts were emailed to each participant to review for accuracy and bolster credibility, and validity of recorded interview scripts. Together, these measures served to establish strong credibility for the results.

### **Transferability**

Transferability is the counterpart to external validity and represents how well the results transfer to other contexts (Merriam & Tisdell, 2015). Creating results that can transfer is not necessarily a goal of qualitative research; however, it embraces subjectivity and meaning (Merriam & Tisdell, 2015). Therefore, the primary task of transferability is to carefully define the study's scope, delimitations, and context so future researchers or others seeking to apply the results can determine if that would be appropriate (Merriam & Tisdell, 2015). To do this, I carefully laid out the study's delimitations in Chapter 1. These delimitations are more thoroughly examined in prior parts of this chapter,

specifically the sections pertaining to the population, sample, and data collection. By carefully laying out how each of these aspects was addressed in the study, I made clear the context in which the study was carried out and who the results apply to. These factors were further repeated and emphasized in the study results and in caveating any conclusions drawn therefrom.

Morse (2015) suggested that full description is essential for transferability of study findings to another context, or individuals. I included a complete description of the procedure involved in implementing a qualitative phenomenological design to address the purpose and research questions about VA financial incentives practice. Providing detail description of the procedures will guide future researchers who would want to reproduce the study in another setting and to identify if the findings are transferable. This careful documentation and full description should serve to meet the requirements of transferability of the study process but not the findings.

### **Dependability**

Dependability is the qualitative equivalent of quantitative reliability (Merriam & Tisdell, 2015). In qualitative research, dependability refers to the conclusiveness or definitiveness of the results (Merriam & Tisdell, 2015). Unlike a quantitative study, no repeated qualitative study would be likely to obtain the same results. Instead, dependability is established by the definitiveness of the analysis itself—that is, it should be possible to repeat the analysis from the same data and achieve the same result (Merriam & Tisdell, 2015). The dependability of the analysis, therefore, rests upon the careful adherence to use Moustakas' (1994) seven-step process for analyzing

phenomenological data. In addition, the use of NVivo for improved data organization and coding aided dependability.

Ang, Embi, and Yunus, (2016) noted that adherence to the strategic aspects of an audit trail, triangulation, and clarification of my position would improve the dependability of the study. This study maintained these aspects by providing a clear account of each phases engaged from the beginning of the research through the data collection and reporting of findings. I provided information about the inputs and outputs of each step involved in the recruitment, data collection, and data analysis of the study; maintaining a reflexive journal containing information about personal insights, reflection, and decisions related to the implementation of the different processes in addressing the research problem. Furthermore, frequent references to the data both during the data analysis process and the reporting of the results therefrom enhanced dependability.

### **Confirmability**

Confirmability refers to the objectivity of the results (Merriam & Tisdell, 2015). While qualitative inquiry cannot create the same type of objectivity as a quantitative inquiry and does not seek to, a degree of objectivity is still necessary. Specifically, I remained objective in the analysis of participants' subjective experiences (Merriam & Tisdell, 2015). The primary mechanism for ensuring this type of confirmability will be phenomenological bracketing. By carefully acknowledging my experiences, perceptions, preconceptions, and biases, I set them aside and used phenomenological epoche. This state of blankness or newness is one in which the researcher has fully bracketed out personal worldview and engages with the participants' responses as though with a wholly



new subject. These aspects were enhanced through my maintaining a journal about my personal insights, reflection, and decisions throughout the study to improve the objectivity of the decisions made in this study. Furthermore, a secondary mechanism for ensuring confirmability will be frequent references to and quotes from the data during the presentation of results and conclusions.

### **Ethical Procedures**

Ethical practice was adhered to at all stages of the research. Prior to any data collection, the study was submitted for IRB approval and any necessary changes made. Informed consent procedure was carefully adhered to through requirement that each participant consent in email reply prior to being interviewed. All data collection was carried out in strict confidentiality. Each participant was assigned a codename that was used during interview and data analysis and whenever the participant is referenced in the data reporting. Participants was requested to contact the researcher using their personal e-mail rather than a work-related one to further protect privacy. Participants were given the option of member checking through e-mail or a physical meeting. Furthermore, by avoiding going through the VA administration and requesting participants use a non-work e-mail address, I was able to limit/eliminate the risk of any conflicts of interest with the VA administration and/or the risk of harm to participants for potentially speaking against their employer.

In addition, at all stages of the research, all data that were collected were carefully protected. Physical data were kept in a locked drawer of my desk, whereas virtual data

were kept in a password protected file on my personal computer. All data will be kept for 5 years after the publication of the study, then destroyed.

### **Summary**

The purpose of this study was to explore the lived experiences of VA employees that informed their perceptions of their workplaces' level of organizational justice, their job satisfaction, and their performance due to inconsistent distribution of financial incentives. Toward this purpose, a qualitative study was carried out using a transcendental phenomenology research design. I collected data from 12 VA employees at VISN 7, a branch of the VA that serves the states of Alabama, Georgia, and South Carolina. Participants was recruited via a recruitment e-mail sent through the LinkedIn social network. Data was collected through qualitative, semi-structured interviews lasting about 30-90 minutes with each participant. The interviews were audio recorded, transcribed, and provided to the participants for member checking. All data was then entered into NVivo qualitative data analysis software. Data were analyzed using Moustakas' (1994) seven-step process for analyzing phenomenological data. Chapter 3 included detailed explanations of the study's methodological procedure taken. Next, in Chapter 4, the study data and results is presented.

## Chapter 4: Results

The VA scandal of 2014 not only found patterns of inadequate agency performance related to appointment scheduling and to accompanying deception and records falsification, but also that the VA distributed widespread and often substantial bonuses to executives and other employees despite their unsatisfactory performance (Devi, 2014). Despite measures to remediate the problem of underperformance in the VA, it is still unclear if financial incentives have had on improving employee performance, particularly as it pertains to employee perceived organizational justice and job satisfaction. Given this problem, the purpose of this qualitative transcendental phenomenological study was to explore the lived experiences of VA employees that informed their perceptions of their workplaces' level of organizational justice, their job satisfaction, and their performance due to financial incentives distribution. The following central research question (CQ) and two subquestions (SQ) served to guide the study:

CQ: What are the lived experiences of VA employees with respect to the inconsistent distribution of financial incentives, and how have these experiences shaped their perception of the level of organizational justice in their workplaces?

SQ1: How have the lived experiences of VA employees with respect to the inconsistent distribution of financial incentives shaped their job satisfaction?

SQ2: How have the lived experiences of VA employees with respect to the inconsistent distribution of financial incentives shaped their self-perceived job performance?

In this chapter, I describe the research setting, demographics of the study participants, and procedure for data collection and data analysis. Using major and sub-themes, I presented the results of the study and addressed the issues and evidence of trustworthiness. Finally, I concluded the chapter with a summary.

### **Research Setting**

VA employees in the Veterans Integrated Service Network, specifically, the VISN 7 network is central to this study. VISN 7 includes the states of Alabama, Georgia, and South Carolina. More broadly, the setting of the study to the VA services network is because of the study's focus on the VA, a context in which attention has been drawn to patterns of inadequate agency performance regardless of the widespread distribution of substantial financial incentive to executives and other employees (Devi, 2014). This sets the scope of the study by focusing the inquiry on a VA services network that is accessible and within my commuting radius. To avoid any conflicts of interest with the VA administration, potential participants were identified and contacted using their profiles on LinkedIn, a professional networking site.

The LinkedIn recruiter account enabled me the capability of running advanced search and using the search filter ensure only VISN7 employees were accessed. A recruitment flyer (see Appendix A) was sent to potential participants through LinkedIn find connection and messaging system. The recruitment flyer described the purpose of the study, data collection activities from face-to-face interviews through data analysis, and inviting interested participants to respond using their personal email or phone. Interested participants were encouraged to refer their coworkers for participation,

increasing the sample size through chain referrals. I contacted all participants that responded to the invitation through their personal email or phone to establish eligibility and administer informed consent. Data collection occurred through face-to-face interviews at secure locations agreed on by the participants and me. The sites include a private room in local public library, or a private meeting room at a restaurant/coffee shop. Throughout the study, there were no personnel changes, budget cuts, trauma or any other organizational conditions that could have influenced participants, their experience or the interpretation of the study result.

### **Demographics**

Sampling for the study was purposive in nature, targeting participants with relevant experiences, and additionally employed a snowball approach. Ultimately, this study involved 12 participant employees at VISN 7, a branch of the VA that serves the states of Alabama, Georgia, and South Carolina. To avoid any conflicts of interest with the VA administration, potential participants were identified and contacted using their profiles on LinkedIn, a professional networking site. Codenames, P1 to P12 were used in identifying the participant to ensure that participant identities are not directly or indirectly disclosed. Participants were also screened for eligibility using the inclusion and exclusion criteria that include: must be Visn7 employee for at least 3 years, received financial incentive or knows about financial incentives in VA, and not younger than 18 years. The demographics of these participants can be seen in Table 1.

Table 1

*Demographics of Participants*

Participant	Sex	Age	Years at the VA	Received/Had knowledge of VA financial incentives
P1	F	65	12	Yes
P2	M	47	7	Yes
P3	F	49	6	Yes
P4	M	30	6	Yes
P5	M	49	12	Yes
P6	M	62	14	Yes
P7	M	55	15	Yes
P8	F	50	3	Yes
P9	F	45	18	Yes
P10	F	46	10	Yes
P11	F	44	7	Yes
P12	F	54	19	Yes

**Data Collection**

Data collection used a single source of data, that of qualitative semistructured interviews from 12 VA employees. While 15 employees were originally sought, 12

proved sufficient for data saturation. I developed an interview guide (see Appendix B) for the study, with reference to the literature, used to conduct face-to-face interviews with all of the participants. Each interview, which occurred off-site at a secure location agreed on by the participant and me, lasted between 30 and 90 minutes, and was audio recorded with the consent of the participants. These recordings were then transcribed and reviewed by the participants to ensure that the data recorded therein accurately represented the interview and the answers that the participant intended to give.

### **Data Analysis**

Data analysis for the study was done using Moustakas' (1994) seven-step process for analyzing phenomenological data. The first step in the data analysis plan was phenomenological bracketing, in which I carefully reflected upon, acknowledged, and set aside any biases, preconceptions, or other worldview factors that could affect the analysis. From this stage, I engaged with the verbatim transcript. NVivo was used for coding and organization (see Appendix C and D shows NVivo Word Cloud and a Coding Diagram), helping me to identify themes, and develop meaningful conclusions relating to the study problem. From this, I proceeded to the third stage of transcendental-phenomenological reduction. In this step, I sought to reduce the data to irreducible units of meaning. These units of meaning of invariant horizons represent the building blocks for the analysis.

In the fourth stage of the analysis, I reconstructed the experience using the blocks of meaning (Moustakas, 1994), making sure that the basic blocks of meaning being combined was reflective of the participants' experience. In the fifth stage, I synthesized

the various rebuilt, combined, meaningful ideas from stage four into a more coherent picture of the essence of the participant's experiences. In the sixth stage, steps two through five are repeated for each participant until saturation is achieved (Moustakas, 1994). Finally, the seventh stage represented the combination of the participants' perspectives, which was done through collective description as well as the comparison of the different essential pictures of what it represents. The compared, combined data were then compiled into a narrative in this chapter, which can be considered to characterize the essence of the shared experience.

### **Evidence of Trustworthiness**

When conducting qualitative researches, such as this phenomenological study, the researcher must discuss the procedures for addressing issues of trustworthiness (Fusch et al., 2018). Unlike other qualitative studies, phenomenological study necessitates varied procedures for instituting the study trustworthiness. Trustworthiness, the qualitative counterpart to quantitative notions of reliability and validity (Merriam & Tisdell, 2015) is split into four primary components: transferability, confirmability, dependability, and credibility. Yin (2017) urged the inclusion of measures of trustworthiness into the research design by addressing trustworthiness aspects of credibility, transferability, dependability, and confirmability. This study includes each of these aspects of trustworthiness and ethical procedure.

### **Credibility**

Credibility refers to the ability of the results to speak to the issues they are supposed to, the study's ability to answer the questions it set out to study (Merriam &



Tisdell, 2015). As participants' perspectives and experiences were the focal point of the phenomenological study (Silverman, 2016), establishing credibility through member checking was essential. Thus, I ensured that each participant participate in member checking; interview transcripts were emailed to each participant to review for accuracy and bolster credibility and validity of recorded interview scripts. All collected data were confirmed through clarifying questioning, recording interviews digitally, and double-checking all data entry.

### **Transferability**

Transferability is the counterpart to external validity and represents how well the results transfer to other contexts (Merriam & Tisdell, 2015). To address the issue of transferability, I wrote a complete description of the procedure involved in implementing a qualitative phenomenological design to address the purpose and research questions about VA financial incentives practice. Providing detail description of the procedures will guide future researchers who would want to reproduce the study in another setting and to identify if the findings are transferable. In addition, a sufficient quantity of thick description of a phenomenon under study was provided in its proper context to allow readers to obtain proper understanding. Upon obtaining proper understanding of the phenomenon under study, readers will be able to make a comparison to the phenomenon under study to a phenomenon they have seen emerge in their situation.

### **Dependability**

In qualitative research, dependability refers to the conclusiveness or definitiveness of the results (Merriam & Tisdell, 2015). The dependability of the analysis, therefore,

rested on the careful adherence to use Moustakas' (1994) seven-step process for analyzing phenomenological data. In addition, the use of NVivo for improved data organization and coding aided dependability. To further ensure dependability, the research design used and an explanation of how that design was implemented was explained in minute details. Furthermore, a continuous process of self-reflection was used to promote the creation of an open and honest narrative.

### **Confirmability**

Confirmability refers to the objectivity of a research study (Merriam & Tisdell, 2015). Great care was taken to ensure the findings of this study were the results of the participants' perspectives instead of the researchers' preferences. The primary mechanism for ensuring this type of confirmability was phenomenological bracketing. By carefully acknowledging my experiences, perceptions, preconceptions, and biases, I could set them aside and put on the phenomenological epoche. This state of blankness or newness is one in which the researcher has fully bracketed out personal worldview and engages with the participants' responses as though with a wholly new subject. These aspects were enhanced by my maintaining a journal about my personal insights, reflection, and decisions throughout the study to improve the objectivity of the decisions made in this study. Furthermore, a secondary mechanism for ensuring confirmability is frequent references to and quotes from the data in the subsequent the presentation of results and conclusions. This process supported the study's objectivity.

## Study Results

In this section, the results of the central and research sub-questions are presented by themes. Four major themes emerged from the data, as well as accompanying subthemes: practices of financial incentives, fairness of financial incentives, organizational justice, and perceptions of self at VA. I present each theme to include narratives from the participants to better illuminate their perceptions about the lived experiences of VA employees that informed their perceptions of their workplaces' level of organizational justice, their job satisfaction, and their performance due to inconsistent distribution of financial incentives.

### **Major Theme 1: Practices of Financial Incentives**

The first major theme focused on the practices of financial incentives, in which the participants described what the substance of financial incentives are. From this theme, I could ascertain that the participants understood the purpose of financial incentives in the same way—as a form of motivation. In addition, subthemes emerged that were associated with allocation of financial incentives, role of supervisors in these financial incentives, as well as suggested changes for the practices of financial incentives. Within the first major theme, 10 of the 12 participants (83.3%) described the purpose of financial incentives was to motivate and reward employees who do good work. Thus, there was unity in the participants' understanding of why financial incentives were used at the VA. This points to a strong awareness of VA policy and culture as it applies to the stated purpose of financial incentives. As P6 simply stated, “Financial incentives are used to motivate and

inspire employees to work hard.” This sentiment was echoed by participants P6, P11, and

P12. P2 explained:

I believe the essence of the practice of the financial incentives by the VA is to provide the employees and its organizations a means of morale, unit cohesion team building that will incorporate the employees to strive for the goal of it's of the monetary value and or for meeting other expectations, as outlined by the VA medical facility.

Similarly, P9 said, “I think the essence of the practice is to motivate employees to go over and beyond the normal performance. It gives employees the push to do better so they may think there's some type of monetary incentive along with your regular performance appraisal.” Likewise, P3 noted, “Financial incentives is supposed to be in place for employees to be inspired to work hard to meet standard access through employees’ performance appraisals.”

In addition, participants P1, P4, P7, P8, P10, and P12 described motivation and reward via financial incentives as, in part, recognition of hard work. As P4 noted:

The reason behind the practice of financial incentive by the VA in principle would be to recognize employees that went over and above their individual assigned duties. This practice, in the long-run, is intended the motivate employees to perform at their best and generally create a spirit of belonging and satisfaction with the job they do.

P7 added:

The essence of the practice of financial incentive is for the employee to perform a good job initially, but actually being able to go beyond and just provide the best service possible with no complaints. And as your supervisors see your caring for the veteran, your character, your productivity, they will be able to measure you against all the other employees to determine that you should be entitled to financial incentives for doing a good job and what we consider as going far beyond what you normally do on your daily job performance. That's what provides you the opportunity to receive financial incentives.

While it is clear from this theme that the majority of the participants were aware that the purpose of the financial incentives is to motivate and reward, the subsequent subsections provide more nuance to the procedural aspects of those incentives.

**Allocation of financial incentives.** The majority of participants (nine of 12; 75%) described the allocation of financial incentives as administrative, based on the standard of performance appraisals. However, it was significant to note that three participants (25%) felt the allocation of these incentives as subjective, based on the relationship one has with a supervisor or higher-up. These results indicate a possible division between the theoretical way in which financial incentives should be allocated (based on the standard of performance appraisals) and the practical way in which those incentives are allocated. For those who argued financial incentives were based on performance, they described the process as structural, and thus, in theory, impartial. P7 explained the process:

The financial incentives pretty much fall in line with how, again how, you perform your duties and without having any issues of making mistakes on the job.

So at the end of the rating period you can be awarded a financial incentive. That way they are allocated to the employee for doing a good job.

Likewise, P1 described: “They’re based on your performance appraisal. It is a percentage of what you receive at the highest level on your performance appraisal.” P3 added that such appraisals were assessed by specific steps: “Incentives are allocated based on your performance appraisals and is done by whether you’re outstanding or excellent.” P8 added that “Employees can be compensated several ways in the VA system. Employees who go above and beyond or work exceptionally well on a project or accreditation for a department may receive an award for special contribution or superior performance. Employees can also receive Quality step increases.”

Participants were also clear to note that an essential element of these performance appraisals is who does them – management. While this is covered in more detail in the subsequent subtheme, participants also clearly linked these supervisors with the allocation process. This connection also seems to indicate the possibility of subjectivity, which could point to the injustice in allocation of financial incentives that participants discuss. As P9 said: “From what I know, it is strictly based on a management prospective as far as who receive financial incentives and why. Every service-line is different. Every manager is different. Sometimes it can be just based on your individual performance. So it is totally up to that manager.” P5 added, “I think they are allocated by the service line department and the chief has the final say so who get it in the service line as recommended by supervisor.” However, two other participants (P4 and P12) noted the

relationship of allocation of financial incentives and supervisors took a more sinister view of the connection. As P4 explained:

My opinion would be quid pro quo, you for us and us for you, you give to us we give to you. That's what I believe it to be. If you put in the work to reach a goal then you receive an award and that's how I feel that they are allocated.

Such perceptions were repeated by participants in other themes, which suggests a consistent and perhaps troubling view of participants of the fairness of those financial incentives.

**Role of Supervisors.** As alluded to in the previous subtheme, participants were clear in assigning supervisors an important role in the allocation process of financial incentives, primarily through their duties in creating, disseminating, and evaluating the standards on which these incentives are given. As P2 explained:

Every role of the seniors and supervisors is to adhere to the VHA financial incentive programs policies. That said, they are to have an impartial as well as an unbiased relationship in regard to the distribution of the VA financial incentives program. My supervisor's role is to judge and as well adhere to these policies that govern the VA financial incentive program that is the role to adhere to the policies.

Likewise, P4 described the supervisor's role as to:

Present a set of standard yearly standards on which we have to reach with our daily work task. They are broken down into your actual attendance, your responsiveness to emails, the completion of the reports, and the mistakes that goes

along. The supervisor is the critique that fine-tunes what we do. The supervisor's role is very pivotal, and if goals are not being met then we have meetings and to try to structure around to see how we can come back collectively to meeting goal.

P3 added:

My supervisor gives the appraisal. Everything is already prewritten, sometimes to change a few words, sometimes you don't, and I guess after I signed it, for the most part I guess she turns it in to management and they go over it. I think that's my supervisor's role, we had like a short meeting, she goes over everything already ran down to you what you probably need to update or to improve to get a certain rating.

As P10 noted, the supervisor's role, while ostensibly objective, carries with it much importance and an undercurrent of subjectivity. P9 described:

I think the supervisors play a key role. They are the intermediary; they are the once between the employee and management. What the supervisor says about the employee, what they write carries very heavily and people don't realize that because managers don't work as close. Supervisors work with you daily from everything, your sicknesses, your character, or personality. So, sadly if your supervisor does not like you or care for you, even if you're a good worker, it can still be 'well they are okay'. You have to foster the best relationship you can because that person is speaking on your behalf. So when the manager says 'hey how is this person doing, do they deserve an incentive award', you have a right to say yes or no. So the supervisors play very important role.



Within this subtheme, participants indicated that not only is the role of the supervisor essential in the structure of assessing and delivering financial incentives, but also the results suggest that the relationship with and to these supervisors is an important part in how incentives are decided and allotted. Once again, this points to the inherent subjectivity, and thus possible lack of organizational justice.

**Suggested changes to practices of financial incentives.** Overall, the participants felt that the financial incentives structure and process needed changes. Such results were indicated not only in this subtheme, but were also implicit within the previous subthemes, as well. These changes were all related to the perception of the unjust nature of how financial incentives are allotted at the VA. While each participant had a slightly different suggestion for what these changes should be, they agreed that there needed to be more transparency and defined objectivity to the standards, as well as a shift in the relationship between supervisor and employee. P10, P12, and P4 pointed to the need for standardization of the incentives, which will aid in transparency and objectivity, as well as a change in the supervisor/employee relationship. P4 explained:

I actually liked the structure of it. I just wish that the levels of incentive were evenly compensated for the amount work put in. I have meetings and seminars for no upper-level management where it includes empathy and workforce along the policy. I feel that we lack the simple means of love when it comes to a common goal that everyone can use. It is motivation to improve your performance and knowing that it can make a big difference.

P11, P5, and P3 also focused on the changes needed between supervisors and employees, as well as the way that supervisors influence financial incentives. Such a focus indicates a need not only for more objectivity, but also how such objectivity should be occur—namely, through a revision in the supervisor/employee relationship. P3 noted that supervisors should:

Take the time to actually speak with your employee on a pleasant note, not everything has to be all you did is wrong. The employee wants to be appreciated and you know, so I would like you to tell me what I have done right and not always what I've done wrong or what I need to change to get this rating. I think that really should be for the supervisors to know their employee because, I mean, they talk to us about it, but I don't think it should have any bearing on getting to know the financial incentives basically. I mean I really don't because if you feel like you got a good employee that come to work every day, they do what they are supposed to do while they are here, that should be in consideration too. I just think that the VA is different.

P2 had a similar perception about the relationship between supervisor and employee, as well as recommendations for nonmonetary incentives:

First off let me say this, I believe the concept of the financial incentives program is within itself is honorable. However, the policy itself, I believe has become tainted. But the factors to consider that may need to be amended for each employee is based upon one, better relationships with seniors and colleagues must happen, two, a better, or possibly, a beginning of a non-monetary incentives

program needs to be provided for long term benefits, and three correcting motivation issues and or conflicts whereas monetary you cannot put a monetary value on it. These are to what I believe are the quintessential reason that changes need to be made to the financial incentive program at the VA to improve employees overall work performance.

Two other participants pointed specifically to changes that should be made in the standards for financial incentives, including more transparency. As P9 explained:

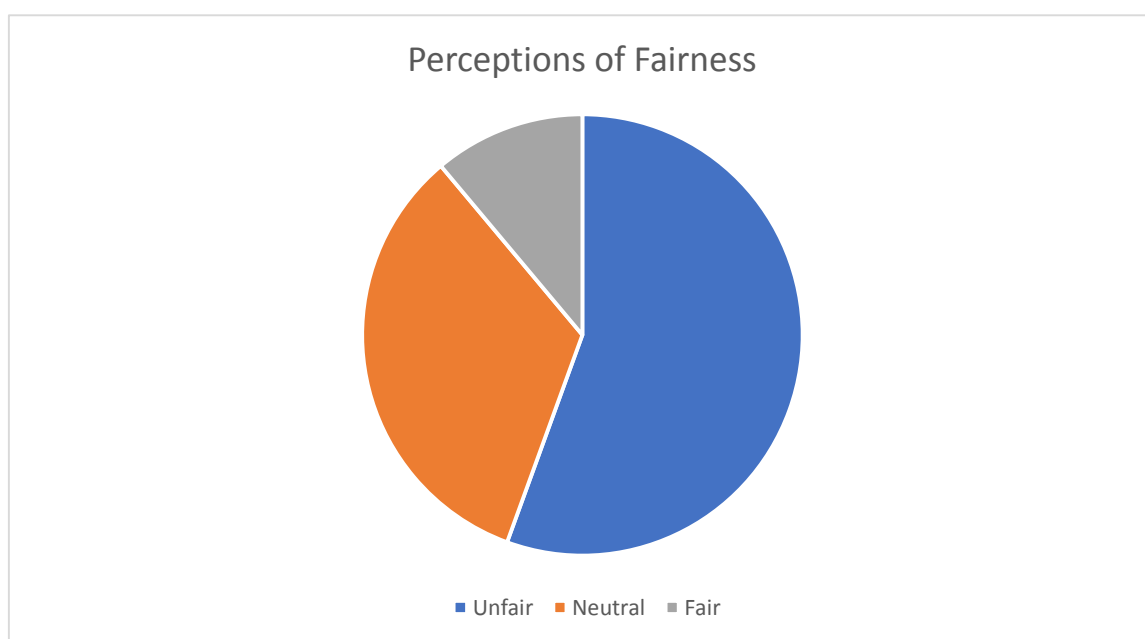
I think the changes I would make would be of course, to inform employees of the standards to meet for incentive award. Maybe it should be something that's written down so the employee can obtain it, visualize it, and work toward the goal. If you just say "come to me for more work or asked for more work". I could ask for more work, but that might not be the type of work that you think is relevant for incentive. But if I see the standard, that's the goal for me to reach for.

P5, on other hand, suggested adding standards: "If they put stuff in the policy, like honesty, integrity, and ensure justice is served all, maybe it will help some." All of the changes that were suggested by the employees seek to remedy the problems of unfairness that they see in the financial incentive process. Participants valued objectivity, transparency, and fairness when it comes to the process of financial incentives, which they sought to achieve through their suggested changes.

### **Major Theme 2: Fairness of Financial Incentives**

The second major theme to emerge from the data was fairness of financial incentives, in which participants assessed their perceptions of how fair they believed the

allocation of financial incentives were. While previous themes and subthemes implicitly noted the participants' perceptions of fairness, this theme—as well as its subthemes—more explicitly explored the ways in which participants believe financial incentives are unjust, and the ways in which this unjustness affect other areas of their work. Within this major theme, there were three additional subthemes: the implications of fairness on job performance, the attributes needed for financial incentives, and the corollary fairness of those attributes. The perceptions of fairness for the allocation of financial incentives can be seen in Figure 3 below.



*Figure 3.* Perceptions of fairness of financial incentives.

The majority of the participants—eight out of 12 (66.7%) felt the allocation of financial incentives was unfair. Primarily, participants described this inequity as a function of the subjectivity of supervisors, and the power that they hold in allocating these incentives. These results reinforce the previous themes and subthemes, which point

to the relationship between structure (the process of financial incentives) and content (the relationships between supervisor and employee). While P12 noted that “I don't think that is fair because it shouldn't be who you know” P2 explained:

Basically, I think the program is become tainted. The program I believe was to give was given I guess to allow each member to reach a goal based on honest merits of each individual, again as governed by each of the VA facilities. I believe human hands have played a role in creating a totally different experience as intended. It's become blemished because I believe the seniors though the ones of the lower level have dug into it to make it work better for them at that level to where it's honesty has become corrupted by more so of who they like who they feel would deserve the monetary funds behind the reward would benefit better for them...I believe it's based on the quote unquote like and dislikes of those who have possibly cultivated, seniors and superiors, a favorable connection with other employees within each of the medical facilities. It's a, in my opinion, if you scratch my back and do the work, I'll scratch your back and ensure that you get these, get this reward because I'm going to give you a favorable performance appraisal.

P5 had a similar perception, saying, “It is not fair, it is given to people who are in favor with the chief or the supervisor most of the time.” For P9 and P10, the process may be unfair; however, the participant also argued that the VA tries to make that unfairness implicit, rather than explicit, by limiting the knowledge of who got what incentive. While P10 summed it up saying, “I don't think it is fair across the board” P9 noted:

The VA is a very private organization when it comes to money, you won't know if there's any unfairness unless someone verbalized. So as far as fairness you can only assume, for example, if I did something and I exceeded the standard, and I didn't get an award, but another person I believe who do not meet the standard gets the award, then I will assume it is unfair. The VA frowns upon you discussing money, whether it is salary, awards, or bonuses. I can see why as it could cause friction. But if you know you as an employee went over and above your performance, you feel like you deserve recognition. So sometimes it can be unfair, again that comes with the discretion of your supervisor and the manager as it is based on your appraisal.

Three other participants (25%) said that they were neutral on the topic of fairness, primarily because of the privacy of the incentive allocations that P9 previously discussed. In this way, participants felt as though they could not comment in an informed way on the fairness of financial incentives. These responses also reinforce the ideas of P9, who noted that the VA does not want individuals discussing money. As P3 said, "I will be neutral about fairness because I don't know what someone else gets, you know with their appraisals and I don't ever ask. I basically just worry about me, so I don't know, I mean, I'll just say I don't know if it is fair." P1 agreed, noting, "I can only speak for myself. I am not sure how anyone else is because that's one thing we're not supposed to discuss is the awards. I may feel that I work much more, or a better worker than someone else's in the office and they may feel that they were better than I do...."

Only two participants (P7 and P11, 17%) felt that the allocation of financial

incentives were fair. P11 agreed that “the VA financial incentives program is fair” and P7 explained:

The VA do put out certain standards of duty performance that you must perform, it may be the basic standards or if it is doing excellent job, thus meeting the basic requirement. So you need to be very successful in what you are doing and without complaints and they make it fair across the board. You can always, pretty much argue that, if you feel like you deserve rating and incentive and you didn't get one because you felt like you were treated, or it was unfair to you even for an excellent job. So they have standards that you need to meet to get those incentives.

For both participants, it was the program they see as fair, and the theoretical process behind this program. This was significant to note, as the other participants felt that the unjust nature of the financial incentives was in its administration.

**Implications on job performance.** This subtheme highlighted how the fairness – or unfairness – of financial incentives influenced participants’ perceptions of job performance. Overall, the participants were divided in how they felt financial incentives impacted their job performance. Such a division was in part premised on how fair, or unfair, they felt the financial incentives to be—If the incentives were seen to be fair, then the impact was positive. However, if the incentives were unfair, then the effect was seen as negative. Their responses are presented below in Table 2.

Table 2

*Implications on Job Performance*

	Number of Participants (n=12)	Total Percentage of Participants
Positive motivation	4	33.3
Hinders job satisfaction/performance	5	41.7%
Mixed implications	3	25%

Participants were split in their perceptions of how financial incentives and their fairness affected job performance. Four of the participants (33.3%) felt that financial incentives could motivate and influence job performance in a positive way; however, it is significant to note that their answers included the implication that these incentives were allocated fairly. P12 argued that “sometimes it can encourage the employee to go the extra step.” P6 noted: “Most definitely, I think it has a big influence in employees. If they know that if they perform over expectation that they will get rewarded, definitely, they will work harder.” Likewise, P7 argued:

The financial incentive practice influences employees because it should motivate the employee to do a good job and get your supervisor to say, ‘great you are doing a good job’ during that work period. So, those are the practices that influence your how you get thanks for doing your job right at the VA. That's what it is, those little influences of the employees. If you are told that you do a job in as certain way you can be rewarded, this give employees’ job satisfaction. It also influences



employees' performance as you could watch how you conduct your daily duty, be professional, must be courteous, and must have good customer service skills.

P4 added, "I think it should be tremendously, if I know that I can work this hard and get this, then employee mindset go that way. Try to go beyond it to give more. It makes you proud of the work and you know it plays a big part."

However, five participants (41.7%) felt that the financial incentives hindered job performance. This perception was based, in large part, on the idea of unjustness—that is, that the allocation of financial incentives were not fair, which then negatively affects job performance. As P9 said, "I think sometimes it can hinder the satisfaction, it can somewhat demoralize employees, especially if you know you're going above and beyond, you know you're giving everything, it can make you feel like why should I do anything extra. It can be disheartening." Two others specifically pointed to the effect on job performance when one feels ignored or unjustly passed over for financial incentives. P4 explained:

Based on my experience with receiving financial incentives, I say that working hard and not being noticed is an extremely difficult mental carnations to understanding and cope with. Knowing that you put in the work to deserve an award, and like I said, a few years ago I didn't even knew they existed....

Likewise, P5 said:

When I see favoritism towards specific employee, it makes me feel like I'm working very hard and I'm not being appreciated. So it's kind of depressing. It influences performance a great deal because you feel like you're doing a good job

and then say maybe your coworker is not and get the incentives just because they are friends or whatever with supervisor. I see that happen a lot, people who deserve don't get it but people who don't deserve gets it. So it's pretty much who you know, very unfair.

Finally, three participants (25%) had mixed perceptions as to the influence of financial incentives. For both participants, while such incentives may motivate and positively influence employees in the beginning, such influence will be short lived, and not have any lasting effect on job performance. As P2 said:

For the moment it boosts morale. Their performance has, speaking from experience, has actually elevated quit a percentage. I would say anywhere between giving more and 50% rating to a 80% rating higher than before. It gives us a goal again to shoot for, not in respects to a better job but it kind of gears us to know what we need to do just to gain the money I think. The performance again will be elevated. However, after the reward money is given the job performance as well as the satisfaction of the job fades out the windows or returns back to that which it originally was if it was a lower performance or lower satisfaction.

P8 agreed, also saying, "Individuals who receive an incentive may work harder because they think managers appreciate their work and to ensure they receive another incentive the following year but will most likely revert to being underproductive or old ways." For some of these participants, the motivation of the financial incentives depends on the justness of their allocation; the incentives will hinder job performance when the incentives are felt to be unjust, while job performance may be augmented when the

allocation is seen as fair. For other participants, any affect that the incentives may have will not be long term; in this way, financial incentives are not understood as impacting job performance.

**Attributes of financial incentives.** The next subtheme highlighted the attributes participants perceived as being required to have or achieve to obtain financial incentives. Overall, participants agreed that the attributes needed to achieve financial incentives were specific standards outlined by the VA. This indicated that the theoretical process by which financial incentives were given were fair; that is, participants understood that were certain standards that had to be met to achieve those standards, which should be objective. As P4 described it, “Basically just meeting your standards and going above and beyond or completing your work. Also, assisting your peers and providing examples, standing up and challenging what was already done, somewhat improving system that allows the goals to be met in an easier way.” P5 agreed, saying these attributes could be summarized as “If you are doing a good job and meeting the standard. Sometimes, your supervisor will want you to exceed your standard.”

Other participants were more specific in the types of standards required. P12 specifically said “Volunteer for extra work;” however, P7 argued that although the standards may change between departments, there are some overall attributes to strive for:

I have worked in a number of different departments and so first you have to understand what is your duty and what are your expectations and as you are perform an excellent job...Start with professionalism, great customer service,

being on time for work and doing a great job is considered a few of the attributes that could enhance your financial incentives.

Likewise, P2 noted:

The number one attribute is customer service. It is the root of being of getting a reward with the VA financial incentive program. The VA financial system program again is based upon the performance appraisals. Each employee receives that being a rating of unsuccessful, fully successful, outstanding, and the greatest being exceptional...Customer service is in a broad ideology is in a broad concept. It is meant to understand how you were treating your customers. Those being the customers inside the VA and customers on the outside of the VA.

P9 added other specific attributes, namely:

Being a diligent worker, you have to have that enthusiasm, you have to have that team player attitude. The attribute of a selfless type of person willing to help others, willing to step up, you're not that person that say 'this is not my job.'

These are the attribute a lot of people are striving to have. I think that's key in any type of financial incentive, they are look for those people willing to say 'this is a team thing not I thing.'

For these participants, there were clear attributes that all VA employees had to meet to be considered for financial incentives. However, it is significant to note that these attributes were different among participants, showing that there was no monolithic understanding of what standards had to be met for VA employees to receive financial incentives.

**Fairness of these attributes.** Within this subtheme, participants discussed their perceptions of the fairness of these attributes for financial incentives. Eight of the 12 participants (66.6%) felt that these attributes were not fair. However, the comments of these participants make clear that it is not necessarily the standards themselves, but the application of these standards that is unjust. For instance, P2 explained:

I do not believe that these attributes are fair. I do not believe they are just, because, in my opinion they are based upon human affairs. They are based upon human emotions and anything can taint or influence emotion. Because of this, your rater who is your senior or superior can in a moment's appreciate your value. Again, given the customer service as an example, they can appreciate the value you have in such an attribute one day, but the next day it can be a totally different attitude and or outlook. And again, this could be influence merely three motions, the system, I will not say is rigged; however, the system is based upon anything today then what it was supposed to be based upon when it was first created.

Similarly, P5 categorized these attributes as unfair, saying, "Some employees who receive it don't really go the extra miles and people who do don't receive it. It depends on what is your relationship or rapport with your supervisor or your chief." Likewise, P8 noted that the unjustness of these attributes is due to the supervisors:

I do not feel the performance-based bonuses are fairly adhered to by some Supervisors. Supervisors may not be aware of all the duties that some employees are doing. Employees are requested to submit a list of duties that they have completed throughout the year to their Supervisor. Some employees who choose

not to submit a list may not receive a bonus if their Supervisor is not aware of or taken notice of their outstanding performance.

Three other participants described the attributes for financial incentives as fair – to a point. According to P4, while the attributes themselves were fair, the process around it seemed less just:

I feel that the attributes are fair because we do have a task/goal to meet. But I do feel like that empathy in doing so is recognized or used away because of the lack of motivation. What you hear around the office about those type incentives sometimes, it kind of makes you want to question what is really going on, but they are attainable. It is a subject barely spoken about but you always hear about it.

For P7, the standards are fair, but it must be individual in how employees work towards them:

Sometimes it is the individual themselves, having some type of discipline you be able to be treated fairly and been able to assess certain situations and evaluate yourself before you getting certain financial award. So I see these attributes as being fairly adhered to, because you need to know when, where and what to do when you talking about working in a professional organization. You need to know how to conduct yourself, it's really going back to the character of the person.

Finally, P12 argued that while the standards themselves were fair, employees may not be aware of those standards, making them more unjust, however P9 explained:

I think it would be fair if the employees understand and know the standards. Sometimes management and supervisors have expectations of people that those people are not going to meet. They don't effectively explain why. Someone can be a part of a team, but still not a team player, if their mentality is 'this is my work that I'm supposed to do'. I think until people understand that collectively, unless we work together to obtain a goal, and that is our focus, then everything else may fall into place. For these attributes being fairly or unfairly adhered to, I think it's fair for the most part. It can be unfair, I'm sure employees feel that way, but again that's due to bad communication, there is always that breakdown, there is always you don't like me. So those barriers can make it seem unfair.

As with other major themes and subthemes, this subtheme indicates that the most unfair part of financial incentives, according to the perceptions of the participants, is the process by which these incentives are allocated. However, the unjustness of this allocation process can, for some participants, include the lack of clear, uniform attributes and standards to gain those incentives. Such results reinforce the previous subtheme, which found that participants were unable to list the same attributes required for financial incentives.

### **Major Theme 3: Organizational Justice at VA**

The third major theme was organizational justice. While the primary subthemes to emerge from this theme were organizational justice as it relates to financial incentives, as well as a rating of overall organizational justice, two participants also spoke more generally of how they viewed organizational justice at the VA. P7 felt organizational

justice at the VA is “fair.” As the participant explained: “They always have avenues for you to reach out if you had any type of complaints about anything...you do have access to union, access to leadership, and director if need be.” For P2, the answer was a bit more complex, particularly as it applied to the relationship between employees and employer:

The best way I can give you an answer is to phrase it from a movie I once heard.

‘I would like the VA medical center to once love us as much as the employees love it.’ That is the best way I can describe organizational justice to you.

Organizational justice, it allows one to understand how that organization is benefiting the employee and again, I believe each employee at the VA if they understood that the VA love them as much as honestly VA employees love going to work and taking care of veterans, a much better result would come about with employees doing their job, and is longer-lasting.

**In relation to financial incentives.** In terms of how participants perceived organizational justice in relation to financial incentives, all but one participant felt that there were problems, primarily due to the unjust allocation of the financial incentives. As P9 described:

I just think as far as organizational justice, management use financial incentive practice to influence organizational justice. Management has to work harder to do a fairer better job. If an employee does not receive an incentive, tell the employee what they are doing wrong, explained to them how they can be better. When it's just a not satisfactory without an explanation that causes frustration on the employee.



Likewise, P4 had a negative perception of the relationship between organizational justice and financial incentives:

I believe that organizational justice as it relates to incentives is somewhat like a pyramid scheme. They want the individual employees to reach a certain goal. Sometimes employees are blind to and they push and offer overtime as incentives to reach that goal, and that incentive is sometimes twice or three times more than what the subordinate incentive is. So it is a lot of sweat and labor for overtime but you are blind to another golden line.

For P5, "It is pretty much not a good system the way they distribute financial incentives as a lot of employees are overlooked who really does do a very good job." Given this system, "The same employees year after year get the incentives, the same employees who never did a good job get it. It is favoritism." P3 agreed, noting that while the financial incentives themselves are not unjust, their implications can be:

I think it's put in place for a good reason but then at some point it is not good. I guess it's good for the ones that actually give the appraisals of the employees and as far as the supervisors. Me personally, as an employee, it doesn't faze me one way or another, but I think for some it actually may help them or hurt them because if they don't get the rating that they are looking for, they are questioning their supervisor 'well why didn't I get that' and you know if you feel like you're doing XYZ, then I should be able to get an appraisal like a passing grade basically. So it's put in place for good things. But then, I guess at some point some people may not think so because of how they been getting their appraisals

and their incentives don't measure up to others who get the incentives that they often.

Participants seemed to acknowledge that financial incentives were being used in order to give the perception of organizational justice at the VA. However, because the majority of the participants found that the process by which these incentives were given were not fair, they felt the organizational justice of the VA was diminished.

**Ratings of organizational justice.** Majority of the participants in this study did not view the VA as having strong organizational justice. These ratings were linked to the unfairness of the ways in which financial incentives distribution were perceived. Table 3 presents the ratings that participants gave the VA when asked to rate the VA's organizational justice on the scale of 1 to 5 with 1=not at all and 5=excellent.

Table 3

*Ratings for Organizational Justice*

Rating (1-5)	Number of Participants
2	2
3	5
4-4.4	3
4.5	1
5	1

Those two participants who gave the VA a high rating (4.5 to 5) in terms of organizational justice “haven't had any injustice applied to me in the workforce” (P1) and were assessing this measure through a personal lens. For the three participants who gave the VA a rating of four, they generally saw the VA as doing good work, but still recognized the problems that were still happening. As P7 said:

From my standpoint, I will rate them at 4 right now with organizational justice at the VA. The reason I say is that there have been people at the VA that have issues with some of them feeling organizational justice don't occur. From that standpoint, it will be considered as excellent, but no doubt there's some issues and problems in every organization, so you always work to try to make things better. So it gives them always room to grow.

P4 added, "That's because I don't know the entire VA's practice as far as I do our own organization, but I don't feel like it is consistent, I feel like it can be geared towards the Chiefs end-of-the-year bonuses."

Five other participants rated the VA more in the middle of the scale, pointing to a variety of challenges. For P12, this had to do particularly with employee relationships, and P10 believed that "there is evidence of favoritism and because most supervisors don't really know how to do the work." P3 said:

My reason for my rating is because I think that they should just go and spend more time knowing what your employee is capable of doing instead of the performance appraisals, everything is written down and you go by the same thing every time you get appraisal. There is nothing new added, there is nothing taken away, so you are basically saying am the same person every time I get the appraisal, where I have come up with ways to make our office run smoother and faster with the log or something like that is not really taken into consideration. Changes that I've done that is not included in the period of performance. I just think you should know your employee and not just reading off a paper.

The other two participants gave the VA a 3 rating in terms of organizational justice because of the VA's relationship not just with employees, but also the veterans whom they serve. As P9 described:

Overall, I would probably rate it as a 3, and I say that because just as in anything, there are a lot of underlined issues that have to be resolved. I work closely, sometimes with EEO programs. Everything plays a factor and when things are not done decently, things like race, things like ethnicity, sexual orientation - all those things can have underlined effect even though they shouldn't be. When people feel like incentives or awards are given based on preference on those criteria. It always creates fears of favoritism so that justice then becomes imbalanced. The VA really have to work on that as in any large entity.

P8's rating added:

Most departments within the VA are understaffed which contributes to burnout and excessive call outs. Patients are not happy with the wait times for appointment and some patients schedule appointments and do not bother to show for the exam. Patient also complain about al lot of issues with the VA regardless if it pertains to their particular appointment which may cause staff to feel under appreciated.

Finally, P5 and P11 gave the VA a rating of 2 when it comes to organizational justice, which was indicative of the problems of favoritism as it related to financial incentives, as well as issues with equal opportunity, echoing P8's response:

I have seen a lot of injustice. Anyway, the reason for my rating is depending on who you are, you may get away with violating the policy just because you may be in favor with the supervisor, but if you are not in favor with the supervisor you may get written-up. They don't have a good organizational justice system, and as far as the EEO and the Union, they are not very effective. You can go to the EEO or Union but usually the result is the same.

#### **Major Theme 4: Perceptions of Self at VA**

The final theme that emerged from the data was perceptions of self at the VA, which looked at the ways in which participants perceived their own role and employment at the VA. Within this major theme, there were three major subthemes: job satisfaction, job performance, and influence of financial incentives on job performance. Table 4 presents the responses from the participants as it pertains to job satisfaction and job performance.

Table 4

#### *Perceptions of Self: Job Satisfaction and Job Performance*

	Job Satisfaction	Job Performance
Satisfied	7	N/A
Very Satisfied	5	N/A
Excellent	N/A	5
Good	N/A	7

**Job satisfaction.** All participants in this study were either satisfied or very

satisfied with their job. The majority, seven out of 12 (58.3%) characterized themselves as satisfied, often citing some issues that they had with the job. P10 said “It’s not about the incentives, there are a lot of things that plays part in it. I am satisfied with the work I do in the VA.” P2 explained:

My job consists of sending emails to subordinate VA medical facilities in response to a financial oversight concern. Though a vast, a mundane job. It provides a sense of understanding, a process of budget, monetary responsibilities and accountabilities for those lower echelons. Again, being that the job is mundane, I would say that I am generally satisfied.

P3 said, “Right now I am satisfied with my job at the VA, and I just have some personal things that make me want to do something different but right now I'm satisfied with the job that I have at the VA currently. I see all aspects of my job as important.” For P8, the job itself is satisfying, though more employees are needed: “I am somewhat satisfied with my job although the department is understaffed.” P9 also pointed to the job itself as satisfying, insofar as it helps vets: “I am satisfied with the job I'm doing at the VA. I just look at it as I can do anything to better the service that we provide for the veterans, that's my satisfaction.” Finally, P5 characterized themselves as satisfied in part in contrast to previous departments/jobs at the VA: “I like my job. It is not stressful at-all as opposed to the former department I was which was very stressful. I think because most of them is due to the supervisor and chief.”

On the other hand, five out of the 12 participants (41.7%) described themselves as very satisfied with their job. As P1 explained:

I love my job at the VA. Every day is a new challenge. It's something different. I can pretty much say if not on a daily basis, weekly or monthly basis there's a lot that information that you have to retain in the field in which I work. But at the same token, we are required to depend upon our knowledge as well as our supervisor's knowledge and of course, thank God I have coworkers that I can go to and ask questions if am in doubt.

P4 agreed, noting, "I love the challenge day in and day out, because it makes me better with understanding the work and the goals to reach and also because it helps satisfy life necessities." P7 also added, "I am very satisfied with what my job I enjoy doing my job. I enjoy taking care of the veterans and of cause am a veteran myself."

**Job performance.** Within the subtheme of job performance, five of the 12 participants (41.7%) felt that they were strong and/or excellent at their job. This self-reflection was either a result of a recent performance appraisal or a self-assessment. P3 noted their work ethic and willingness to learn: "My performance as a VA employee, I would think that it is excellent. My work ethic is I come to work and I do my best, I mean if I have questions I ask and I don't just assume that I know everything about it...I learned a lot because I started in a different department, so I will say that my performance is excellent." P9 also reflected on the elements of their job performance that made them excellent:

I think my performance is excellent. I tend to be positive... I enjoy working at the VA and I think I am a great employee and my performance is good because I

want to do a good job. I would want to be fair, I want to be better. I don't come to work with attitude because I think that is not productive.

P6 added, "I think my performance is been outstanding since I have been here with VA working in different department. Now the section that I am in enables me to work closer closely with the veteran and I enjoyed that." Finally, P5 attributed their excellent rating to their performance review: "In my last performance rating I got a very high rating, very satisfactory." However, P12 noted that "I go above and beyond when it comes to the customers that I deal with. I like to see actions taken, I like to see accomplishment."

Seven other participants (8.3%) rated themselves as good within their job performance. While none of the participants had any negative reflections on themselves, their language and assessment was more tempered. As P1 said, "I consider myself to be a good employee. I am an employee that believes in assisting wherever needed, however needed or if someone is having a difficult day to stay on track, assisting them or they assisting me. So I would rate myself as a good employee who needs improvement as everybody does." P4 described their job performance as "I had always been a steady employee. My performance has great consistency as of late, knowing that I get certain job tasks down to a science where I can just truly understand it. I put my best foot forward every day and you know facing the different challenges that arise with it with a positive outlook." P8 explained, "I perform my job to the best of my ability as I always have. My work ethics within the VA is the same as when I was employed in the private sector."

**Influence of financial incentives.** The final subtheme highlighted the ways in which participants felt financial incentives had, or would, impact their job performance.



Five of the participants (41.7%) felt that financial incentives had no impact on their job performance, while the same number said that the incentives could or had positively motivated them in terms of job performance. Finally, two participants felt the incentives – and the way in which they were allocated—negatively impacted job performance.

For those participants who believed the financial incentives did not impact their job performance, they felt as though their job and job performance was not contingent on additional monetary rewards. As P6 said, “It never change my view because I am not here at the VA for the incentive, I am here because I enjoy working with veterans.” Likewise, P3 noted, “It doesn't affect me one way or another...It hasn't changed my view of myself as a productive worker because that work ethic has just been instilled in me. When you go to work you do your job and you do the best you can.” This sentiment was echoed by P1, who said:

I am a person, I get up to go into to my job, my incentive is already there because I'm being paid for job to be done and based on the fact that my incentive is that I already have the job. When I am rated and my supervisor feels that I have done an outstanding job or an excellent job, then of course it helps you as a person to say hey my supervisors is seeing my work. I'm doing my work. But I don't have to get an award to do that because that's my work. I go in there to perform a duty and get as much done as I can and prioritizing getting what I need done or whatever the VA needs done in the financial department in which I work on a daily basis. As far as the incentive award. I'm glad that I have a job okay I am. I'm glad that I have a job.

Four other participants argued that financial incentives can help in motivation when it comes to job performance. For P8, this was because the incentive made them feel recognized: “Having my relocation paid made me feel needed and appreciated. I wanted to do an excellent job at my new position.” Similarly, P9 noted:

Early in my VA career, it definitely makes you feel good. It makes you feel appreciated; it makes you want to do more...But I think any financial incentives would make any employee, regardless of the services, want to do better because, even if you're just acknowledged, just appreciated, even if just given a parking spot, anything, it makes you just feel better.

P7 added:

The financial incentives is up to you as the individual to meet the standards, try to be productive, professional, and courtesy in order to get additional financial incentives based on what job you are performing. You can sometimes change your own view of how you been productive in your work area based on how you do your job. So if you keep trying to keep a positive and productive mind with great customer service you can enhance your financial incentives.

For P4, the incentives are, in theory, a positive motivation for job performance: “It pushes the creativity and it also pushes you to make yourself more applicable to other positions and improve your work performance as well. So it’s still motivation to always be competitive worker and against the previous day to better myself.” However, P4 also noted that in practice the incentives could actually negatively influence their job performance:

At first, when I first received my first incentive, I looked at the dollar amount and I was kind of upset. I was like, this is what a bonus look like? And I have friends that work in the same field and they get 50 times as much as my bonus was. I felt embarrassed, I heard - I don't like to look at other people's money, but you know I heard what the chiefs and management was getting and realized that I cannot count on the bonus or incentives to better myself, but I was thankful for that bonus/incentive.

Finally, P5 described the negative impact of the financial incentive. However, it is significant to note that this perception was due to the unjustness of the incentive allotment, rather than the incentives themselves. As P5 said: "When I discovered favoritism, some people who deserve it didn't get it and some people who did not deserve it get it, it makes you lose motivation. It affects your productivity as a worker." P10 supported this perception by adding "It can be kind of a deter to most people, I know there's a lot of complaining about everything which is de-motivating. Most employees just do what they need to do to get by. For the average, it negatively impact job satisfaction and performance."

### **Summary**

The results of this study found that participants understood the purpose of financial incentives as a way to motivate and reward employees who do good work. Moreover, these participants described the allocation of financial incentives as administrative, based on the standard of performance appraisals, noting that such appraisals were a product of supervisors. Participants over-warmly agreed that the base of

financial incentives on performance appraisal, a product of supervisors, is skewed by supervisors' relationship with employees. Participants described the important role of supervisors in the allocation process of financial incentives, primarily through their duties in creating, disseminating, and evaluating the standards on which these incentives are given. Overall, the participants felt that the financial incentives structure and process needed changes. While each participant had a slightly different suggestion for what these changes should be, they agreed that there needed to be more transparency and defined objectivity to the standards, as well as a shift in the relationship between supervisor and employee.

The results indicated that a majority of the participants felt the allocation of financial incentives was unfair. Primarily, participants described this inequity as a function of the subjectivity of supervisors, and the power that they hold in allocating these incentives. Participants were split in their perceptions of how financial incentives and their fairness affected job performance; while some felt that financial incentives could motivate and influence job performance in a positive way, these answers included the implication that these incentives were allocated fairly. Other participants felt that the financial incentives hindered job performance. This perception was based, in large part, on the idea of unjustness—that is, that the allocation of financial incentives are not fair, which then negatively affects job performance. Given these results, it seems clear that while financial incentives are understood as a motivational force, the way in which these incentives are awarded is seen as unjust. As participants view the performance management as biased and measured using irrelevant criteria, there should be some

further study into the VAs rewards systems in both performance appraisals and how that reward system and structure supports their overall organizational strategy.

The third major theme that emerged from the results was organizational justice. In terms of how participants perceived organizational justice in relation to financial incentives, all but one participant felt that there were problems, primarily due to the unjust allocation of the financial incentives. Finally, in the last major theme, participants reflected on their own role and status at the VA. All participants were satisfied to a certain extent with their job, and all rated themselves as either good or excellent in terms of job performance. Moreover, while some felt that financial incentives helped to motivate this job performance, the same number felt that such incentives had no impact. Chapter 5 includes the results of this study in context with the extant literature, the implications of these results, their relationship to the theoretical framework, as well as how they can be applied in practice, will also be presented.

## Chapter 5: Discussion, Conclusions, and Recommendations

This study sought to investigate how VA employees perceive financial incentive practices to increase knowledge on how those programs aid or hinder organizational justice, job satisfaction, and performance as well as recommendations to improve performance within the VA (Osatuke et al., 2009). The purpose of this qualitative transcendental phenomenological study was to explore the lived experiences of VA employees that informed their perceptions of their workplaces' level of organizational justice, their job satisfaction, and their performance due to inconsistent distribution of financial incentives. The phenomenological research design illuminated the understanding of the experiences of VA employees regarding VA financial incentives practice and aimed to inform leadership about appropriate financial incentives and demonstrate their importance, to hopefully create fairer and more consistent financial incentives to VA healthcare providers.

Four major themes emerged from deep analysis of participants' response, each with their own subthemes. I presented each theme to include narratives from the participants to better illuminate their perceptions about the lived experiences of VA employees that informed their perceptions of their workplaces' level of organizational justice, their job satisfaction, and their performance due to inconsistent distribution of financial incentives. Although, the response from participants on most of the themes confirm with the information of related research identified in the literature review, however, the most outstanding finding of this study is participants' response to the third major theme. Interestingly, participants' response to the third major theme

(organizational justice) seem to contradict the extant literature, which suggests that the higher organizational justice, the higher job satisfaction and job performance will be. While the participants in this study primarily found the allocation of financial incentives to be unjust – and therefore perceived organizational justice at the VA to be low – they were still satisfied with their job, and still felt as though they were performing at a high level at that job. This suggests that the distribution of financial incentives does not influence participants' views of organizational justice, or that their views of other aspects of the VA and organizational justice supersede the unjustness of financial incentives.

The remainder of this chapter presents the interpretation of the results in the context of the literatures within Chapter 2. The study limitations from Chapter 1 will be discussed to align with the study's conclusions, this will be followed by recommendations for future research and implications for positive social change. The chapter end with a conclusion providing a summary of the entire study.

### **Interpretation of Findings**

This study explored the lived experiences of VA employees that informed their perceptions of workplaces' levels of organizational justice, their job satisfaction, and performances due to inconsistent distribution of financial incentives. The following central research question (CQ) and two subquestions (SQ) served to guide the study: CQ: What are the lived experiences of VA employees with respect to the inconsistent distribution of financial incentives, and how have these experiences shaped their perception of the level of organizational justice in their workplaces? SQ1: How have the lived experiences of VA employees with respect to the inconsistent distribution of

financial incentives shaped their job satisfaction? SQ2: How have the lived experiences of VA employees with respect to the inconsistent distribution of financial incentives shaped their self-perceived job performance? Data for this study were collected through interviews with VA employees from Veterans Integrated Service Networks 7 and analyzed using Moustakas' (1994) seven-step process for analyzing phenomenological data. The four major themes and the subthemes included:

1. Major Theme 1: Practices of financial incentives
  - i. Allocation of financial incentives
  - ii. Role of Supervisors
  - iii. Suggested changes to practices of financial incentives
2. Major Theme 2: Fairness of financial incentives
  - i. Implications on job performance
  - ii. Attributes of financial incentives
  - iii. Fairness of these attributes
3. Major Theme 3. Organizational Justice at VA
  - i. In relation to financial incentives
  - ii. Ratings of organizational justice
4. Major Theme 4. Perceptions of Self at VA
  - i. Job satisfaction
  - ii. Job performance
  - iii. Influence of financial incentives



This section includes an interpretation of those findings and compares them with the literatures found in Chapter 2. Through comparison, the themes were analyzed and interpreted to confirm, disconfirm, or extend the existing knowledge as well as reflect upon the context of the conceptual framework.

### **Practices of Financial Incentives**

The first major theme was practices of financial incentives. This theme focused on the substance of the financial incentives. Ten out of the 12 participants stated that they felt the purpose of financial incentives should motivate and reward exemplary employees. Incentives ought to be applied when employee output goes beyond normal performance and to inspire further hard work. Financial incentives should be paired with recognition from management.

Urech et al. (2015) stipulated that one practice for financial incentive would be the pay-for-performance method. Within this technique employees who perform better receive increased compensation to match their output. Conrad et al. (2018) noted that pay-for-performance programs have been growing throughout the U.S. in a variety of industries. Currently, the pay-for-performance programs within the U.S. are around \$345 billion, with managers and those higher up in the supervisory hierarchy being included in the program rather than just regular employees (Shaw & Mitra, 2017). While, pay-for-performance has demonstrated increased employee performance it is usually those who already are in positions of power who benefit the most (Francis & Clancy, 2016; Han, Bartol, & Kim, 2015).

The first subtheme for practices of financial incentives was allocation of financial incentives. Nine out of 12 participants noted that it is usually the VA's administration that judges performance appraisals and offers increased financial incentive. The remaining three participants felt that the distribution of incentives was unfair and largely related to the relationship between the employee and their supervisor. The literatures reviewed (Beauregard, 2014, Cohen et al., 2015, Ogbonnaya et al., 2017) noted that it is imperative for the allocation of financial incentives to be viewed as fair and impartial as poor perception can reduce organizational output despite the depth of the financial incentive program. The allocation of financial incentives is an important variable within the VA, as employees in the organization feel that the bonuses given to individuals do not always reflect upon the individual's work (VA OIG, 2014). The allocation of financial incentives often come from leadership.

The second subtheme was the role of supervisors. Participants identified the role of supervisors as a critical component in the allocation of financial incentives as they create, disseminate, and evaluate the standards for which the incentives are applied. Previous research has focused on managers within the public sector and found that when managers offer financial incentives fairly there is increased employee output (Belle & Cantarelli, 2014). However, Olubusayoa, Stephenb, and Maxwell (2014) also pointed out that financial incentives relate to the perception of the work that employees are given from their supervisors. Scholars maintained that managers should constantly communicate what they expect from their employees to clarify the requirements for financial incentives and that the employees feel that they are being heard, valued, and

supported to increase optimal organizational outcomes (Swalhi, Zgoulli, & Hofaidhllaoui, 2017). Despite these recommendations it is management that usually enjoys the benefits of financial incentives (Williams & Zhou, 2016). Park and Kruse (2014) stated that managers should be aware of employee commitment to the organization when setting financial incentive initiatives. Creating a positive feedback loop through communication and monetary motivation is a beneficial way for management to set up financial incentives (Dee & Wyckoff, 2015; Ogbonnaya et al., 2017). Lastly, by fostering organizational commitment, financial incentives can increase job satisfaction and employee/management trust (Ogbonnaya et al., 2017).

The third subtheme was suggested changes to practices of financial incentives. Participants felt that changes needed to occur within the existing financial incentive programs. Unfortunately, there was no unanimous recommendation between participants. However, issues like transparency, defined objectivity, and employee management relationships should all be considered. These recommendations were not found within the Chapter 2 literature and will be further discussed in the recommendation and implication sections of this chapter.

### **Fairness of Financial Incentives**

The second major theme was the fairness of financial incentives. This theme yielded the subthemes of implications on job performance, attributes of financial incentives, and fairness of these attributes. This major theme had participants evaluate their views on how equal and fair the allocation of financial incentives is. Eight of the participants viewed that the current financial incentive program was unfair and

recognized that the financial incentives often went to management and not the employees who work the hardest. Three participants were neutral, stating that they could not comment because they did not know what other employees received and only one participant felt positive about the fairness of the process. This major theme was supported by reviewed literatures like Shaw and Gupta (2015) that argued that the perception of fairness has a large effect on the performance of the employees who do not receive the incentives. Additionally, recognition from management on their work ethic and output does little unless it is accompanied by monetary bonuses that are viewed as fair and just (Bareket-Bojmel, Hochman, & Ariely, 2014). Lastly, if an employee looks at rival organizations as having increased fairness, they would be more likely to betray their organization for whistleblowing or reduce their output (Andon et al., 2016). How fairness relates to job performance is critical.

The first subtheme was the implications on job performance. The theme explored how the participants' views of fairness altered the participants' job performance. While reviewed literatures provided strong evidence that a financial incentive program increases job performance, Park and Kruse (2014) stated that managers should thoroughly examine employee commitment and performance for implementing a policy. The second subtheme was the attributes of financial incentives. This subtheme explored the perceived attributes needed to reach the set financial incentives. Although, participants agreed that within the VA, the standards were clearly outlined, however, Ogbonnaya et al., (2017) provided some insight into this subtheme by suggesting that job performance, attributes of satisfaction, and commitment for financial incentives had neutral or negative results.

The lack of other traits and attributes within the literature has created a need for future research on this theme.

The final subtheme was the fairness of these attributes. Eight of the 12 participants identified that the existing attributes were not fair. The participants specified that it was not the standards themselves, but how the standards were applied that affected the view of the uneven allocation of financial incentives. Aguinis et al. (2003) supported this theme by stating that CEOs are often not rewarded based upon their job performance but rather the contents of their existing contracts, thereby creating an unjust perception of the practice. Additionally, Garbers and Konradt (2014) stated that financial incentives are often given in team-based activities. While, this process may increase output, when employees are not judged individually it can cause reduced team motivation as employees will be paid the same regardless of whom does the most work.

### **Organizational Justice at VA**

In addition to examining financial incentives, this research also focused on organizational justice. Organizational justice was the third theme and had the subthemes of in relation to financial incentives and ratings of organizational justice. Krishnan et al. (2018) described organizational justice in three ways: distributive justice which focuses on how resources, such as financial incentives, are distributed within the organization; procedural justice which is the fairness of how those resources are moved; and interactional justice which focuses on the relational metrics without the information can be shared and categorized through informational and interpersonal justice metrics.

The first subtheme was organizational justice in relation to financial incentives. This subtheme focused on how participants responded to organizational justice in relation to financial incentives with all but one participant stating that there were existing problems due to the unjust allocation of the funds. Shan et al. (2015) stated that financial incentives are direct representations of organizational justice as differentiating between the work outputs of employees must be perceived as fair and just. When financial incentives are offered justly, employee productivity, well-being, and commitment increases (Bakotic, 2016; Dee & Wyckoff, 2015; Ismail et al., 2018; Shaw & Gupta, 2015). Nepotism is a negative example of organizational injustice in terms of financial incentives as it focuses on the relationship between employees and not their work output or ethics (Acquaah et al., 2016). Chen et al. (2015) explored the monetary and nonmonetary variables that can alter employee retention and found that employees must trust and identify with the organization and how justice is applied within. When employees feel that management no longer supports them, the perception of a fair and just work environment is decreased (Wolfe et al., 2017).

The second subtheme was the ratings of organizational justice. Only two participants gave the VA a high rating, three other participants felt that the VA was doing good work, but there is a room for improvement to fix identified problems, and the remainder of participants did not have a high opinion of justice within the organization. Schminke et al. (2015) stated that collective values of perceptions of organizational justice can be found within the organization's moral compass and how those values are upheld within each department. Both structure and size of the department can be

variables within organizational justice as smaller organizations produce less procedural justice in apartments that structured their values deep within the department had an increase in the perception of organizational justice. Jiang et al. (2015) found that procedural and distributive justice are vital coming trust within an organization as it can help retain high quality employees.

### **Perceptions of Self at VA**

The final major theme was perceptions of self at the VA. This theme highlighted the participants' perceptions of their role within the organization. This theme yielded three separate subthemes which were job satisfaction, job performance, and the influence of financial incentives on job performance. The literatures reviewed did not specifically focus on perceptions itself, but it did have insight into job satisfaction and job performance.

The first subtheme was job satisfaction. Seven participants stated that they were satisfied in their job and four felt that they were very satisfied. Job satisfaction is important as increased satisfaction creates increased positive outcomes and employee commitment (Musringudin et al., 2017; Suifan et al., 2017). Job satisfaction directly corresponds to higher levels of effectiveness, quality, knowledge of management practices, and organizational development (Platis et al., 2015). Management should emphasize policies that increase job satisfaction as it can affect employee retention and influence the perception of organizational justice (Demir et al., 2017; Khan, Sarwar, & Khan, 2018; Ko & Hur, 2013; Musringudin et al., 2017; Suifan et al., 2017). Like job

satisfaction, job performance can also influence employees' perception within an organization.

The second subtheme was job performance. Five of the 12 participants felt that they were excellent at their job and seven viewed themselves as being good at it. The participants measured their performance through either a recent review or through their own self-analysis. Job performance can be influenced by employee perceptions of their productivity, quality, initiative, and improvement (Platis et al., 2015). Although the results of this study had job satisfaction and job performance as subthemes for how an employee perceives their work at the VA, Bakotic (2016) found a weak relationship between satisfaction and performance, thereby creating a need for future research. However, Krishnan et al. (2018) found a link between job performance and the fairness of the distribution of financial incentives, and Landry et al. (2017) stipulated that a surge in job performance was because the monetary compensation was viewed as being fairly distributed. Lastly, literatures reviewed, like Aryee et al. (2015) indicated that intrinsic motivation can also influence job performance and satisfaction.

The final subtheme was influence of financial incentives. Five of the participants stated that financial incentives had no influence on their job performance with another five saying that it had a positive influence. Only two participants felt that it affected them negatively. The literature offered minimal context or explanation for these differences, thereby creating a need for further investigation.



### **Limitations of the Study**

Limitations are the perimeters of the study created by necessity rather than implemented by choice (Merriam & Tisdell, 2015). Chapter 1 included the limitations of this research project. Many of the limitations were attributed to methodology and research design. The first limitation stipulated in Chapter 1 was that it relied upon self-reported data. Self-assessment of job performance and job satisfaction created a one-sided view on whether their work performance is truly worth the participants' view of fair compensation and distribution of financial incentives. Without receiving job performance data from managers, the results can be skewed. Participants may not have applied a critical lens to their own work output creating a distorted view of the financial incentives in which they felt they were entitled. However, while self-reported data may not have provided a full picture of the phenomenon it does not change the participants' perceptions of their work. The results may offer more insight into the phenomena as it holistically encompasses what employees of the VA feel about financial incentives. By focusing on the participants' perceptions of their own work, management is more aware of the gaps between viewpoints.

Another methodological limitation was that the qualitative nature examined perceived relationships rather than those that occur in actuality. This limitation prevented a complete view of actual relationship between employees and managers. Like the first limitation, the lack of multiple viewpoints is not completely detrimental. While a quantitative study that focused on actual relationships between employees and managers may have yielded hard data on whether the financial incentives were being appropriately

distributed, this investigation provides ample opportunities for management to now clarify their standards on financial incentives so that employees will feel that it was a just process. The study was also limited by the subjective nature of qualitative data analysis and the potential bias of the researcher. This limitation was mitigated by the phenomenological bracketing that prohibited the researcher's own expectations and biases from affecting the results. The study also provided direct quotes for transparency. By including direct quotes, there could be no accusations that the researcher was applying their personal views onto the participants' responses. The results were further strengthened against accusations of personal bias because the results largely aligned with the literatures within chapter two. The study also highlights numerous delimitations, however, these will be discussed in the recommendation section as potential opportunities for future research.

### **Recommendations**

This research project provided multiple avenues for future research. These opportunities to expand research of the phenomena can be dissected by theme, limitations, strengths, and delimitations. The interpretation of the conclusions highlighted where the results aligned with previous research. However, the uncovered discrepancies between the existing research and the results of the investigation provide ample occasions to expand the knowledge of this phenomenon. Perhaps, the broadest area to expand future research can be drawn from the limitations of the research design and methodology as well as the delimitations.

This study was limited by its methodology and research design. While these limitations may have narrowed the transferability of the results, they also provided opportunities to expand the exploration of financial incentives within other public and nonprofit organizations, including other VA sites. The investigation utilized the phenomenological approach to limit the researcher's personal expectations or biases. However, as qualitative investigations deal with subjective experiences, future research that employs other qualitative research designs can improve the transferability, trustworthiness, and conformability of the study's results.

One opportunity for future research would be to perform a multiple case study. The multiple case study can involve employees from other VA offices for comparison to see if these results were limited to a environment or situation or rather endemic failure of the system at large. A separate multiple case study could include other public or nonprofit organizations to compare the severity of the problem at the VA. These studies would be of great interest to many researchers as the VA has come under fire for a variety of failures. Studies that compare this VA office to other offices or organizations can provide insight into other potential factors that inhibit strong organizational outcomes.

The phenomenological approach was used to mitigate researcher bias. This approach can be applied further but among a more diverse population of participants. Including participants such as managers, those of differing demographics such as age and ethnicity, and employees of differing tenure could yield much different results. By including managers, insight could be provided on whether the employees own perceptions aligned with those of their supervisors, thereby confirming or denying if the

participants own viewpoints on their job performance and entitled financial compensation were justified.

Variables such as age, ethnicity, and tenure could indicate other outlying issues that may have influenced the participants' responses. Employees who have less tenure may have different ideas of what just financial incentives should be due to their limited experience. By including younger employees, future research could identify whether there was a generational gap between what is viewed as adequate financial incentives. Lastly, the inclusion of ethnicity could shed light on whether participants felt that they were being discriminated against due to their race. Identifying whether participants felt that these elements determined their financial incentives could provide the VA and management with better insight to rectify these viewpoints.

The methodology also limited the results of the study. A switch to quantitative analysis could further confirm or deny the results of the study. One major limitation to the research was that qualitative investigations rely upon subjective perceptions. Participants may have felt that they perform better than what their work output and performance reviews state. Applying a survey that assigns numerical values to the responses can be used for quantitative analysis. Comparing the data between the employees' perception of their job performance and management's perceptions could isolate where personal bias comes into check. It would also provide opportunities for future research as well as social change for managers to rectify these differing opinions.

A further expansion of quantitative research could also examine the financial differences within the VA incentive program. For instance, comparing employee's

performance and received financial incentives between differing departments could isolate a manager's personal bias. Further comparison between the financial incentive managers receive and their employees could further determine if managers are being favored over their employees who are also improving organizational outcomes. Quantitative analysis of a separate project could then be compared to this research for further insight into the phenomena.

Delimitations also provide opportunities for future research. The study was delimited to the VISN 7 area of Alabama, Georgia and South Carolina. VISN 7 was chosen due to geographic proximity of the researcher as well as access to the participants. Future studies could examine other networks of differing geographic locations to determine whether the results were specific to VISN 7 or the VA. The VA was selected because of existing evidence that there may be unfair financial incentive distribution within the organization. However, previous literature has largely focused on the private sector, therefore future research can examine financial incentives within other public or nonprofit entities. By examining these other organizations, further insight could be shared on the transferability of these results.

While the literature largely supported the results of the study, there were isolated results where the literature did not or could not align with the conclusion of this investigation. The first discrepancy between the literature and uncovered themes was within the second major theme of fairness of financial incentives. The subtheme of implications on job performance had no reference within the literature. Therefore, future research should examine whether the perception of fairness or unfairness influenced the

participants' views on their own job performance. A mixed methods approach that could assess the participants' qualitative views against the numerical data of their job performance could widen the body of knowledge on this topic.

A separate area for future research also grew from the second major theme of attributes of financial incentives. This subtheme highlighted the participants' perceived attributes that are needed to reach the threshold for financial incentives. The participants felt that the specifics to reach financial incentive requirements were substandard. Future research should focus on identifying which standards need more clarity. The literature for this theme was inconclusive indicating a need to expand the topic.

The fourth major theme, perceptions of self and VA, also offer opportunities to expand the knowledge on this phenomenon. Perceptions of self at VA was not mentioned in any of the existing literature. While the results found that job satisfaction, job performance, and influence of financial incentives were all important subthemes, some of which supported by the literature, other subthemes, not found within the results or could also exist. The subtheme of influence of financial incentives was not mentioned at all within the literature review. This subtheme had split results on whether financial incentives influenced job performance or not and a lack of supporting evidence, thereby creating an opportunity for other researchers to explore qualitatively and quantitatively how much financial incentives influence perceptions of self at the VA. While these results provided plenty of opportunities for future research, they also had implications for social change and practical recommendations that can improve organizational outcomes at the VA.

## **Implications**

While this study provided multiple opportunities and avenues for future research it also had implications for social change at the individual, organizational, and policy level. There are also methodological and theoretical implications as well as recommendations for practice. This research study sought out to uncover significant and pertinent themes that could create avenues for change. While these themes provide an opportunity for social change and theoretical implications, the findings of the study could assist managers and employees in rectifying the perception of the unfair distribution of financial incentives at the VA.

Initially the research sought to contribute to the literature through the personal insights on how the practice of applying financial incentives influenced the employees' views of fairness and its stimulus on employee job satisfaction and performance. Previous research indicated that this was an underdeveloped area of research due to the setting, sample, and phenomena of inconsistent distribution of financial incentives (DeHart-Davis et al., 2014; Lourenço, 2016). Ultimately, the research sought to affect positive social change by reducing the research gap within this timely issue.

The study sought to improve management's distribution of bonus compensation by understanding how financial incentives influenced employees' perceptions of justice. By identifying the pertinent themes, organizational leaders could create policies that would build positive employee attitudes and behaviors and create a just system for financial incentive distribution. Additionally, this study was significant because it could identify other underlying issues within the VA that have contributed to its current state.

As participants held neutral or negative perceptions of financial incentive distributions that affected their performance and job satisfaction, management could now rectify these discrepancies with their increased awareness.

The increased awareness of the managers could help the organization create multiple strategies to improve performance, accountability, and create a fair environment where employees feel that financial incentive distribution is not biased. Employee job satisfaction is especially important to an organization like the VA as it supports veterans, many of which can become a vulnerable population. As a nation, the United States places an explicit emphasis on the importance of serving the country, making it vital that all VA employees do their job to the best of their capabilities, especially when the organization has been accused of subpar performance. Increased organizational outcomes can create a positive social change by providing better services such as healthcare and employment while improving mental health and reducing the chances that veterans may succumb to substance abuse, trauma, or homelessness. Lastly, this study provided valuable social change by identifying the negative effects of inconsistent and unfair financial incentive distribution.

The first major theme of practices of financial incentives isolated the allocation of financial incentives and the role of supervisors as prime elements in what determines perceived fairness. Most participants felt that the financial incentives were distributed based upon their performance reviews. This is positive for management as employees recognized that their graded performance directly relates to their pay. However, as two participants felt that pay was subjective and based on the relationship with the managers,



organizational leadership should increase managerial training to reduce potential bias. By ensuring that employees know that they are being graded purely upon their job performance, resentment between leadership and other employees could be decreased further increasing job satisfaction and performance at an individual level while providing better services to those using the VA. As supervisors evaluate and distribute the financial incentives, the VA should enforce that supervisors remain neutral arbitrators with performance reviews and financial incentives.

Perhaps the most conclusive theme was that participants agreed that the structure and process needed changes. This subtheme provided strong evidence that the current system needs revision to increase job satisfaction, performance, and organizational outcomes. The participants recommended that there should be increase transparency and better defined objectivity to the standards in which they are being graded on. They also called for change in the dynamic between supervisors and their employees to reinforce impartiality within the process. These recommendations can help improve employee output at the individual level while also increasing organizational outcomes for better performance and societal change.

The second major theme was fairness of financial incentives. Participants recognized that fairness had a direct connection to their job performance. This finding is vital to management as increased awareness of what stimulates job performance can improve worker output. Management should feel content that the standards for financial incentives created a perception that the employees were being judged fairly. However, while participants felt that the measures for financial incentives were clearly defined,

they felt they were not fairly judged. Therefore, management should ensure a fair and transparent process for evaluation. One recommendation to mitigate this theme would be to create a panel of assessors rather than leave it up to the individual.

The third major theme was organizational justice at the VA. A poor perception of organizational justice can reduce employee performance and satisfaction. Participants noted that they felt that poor organizational justice within the VA was directly related to the unjust allocation of financial incentives. This theme reiterates that the standards set forth for financial incentives are fair but it is how they are applied that creates negative feelings. Organizational leaders should seek to rectify this discrepancy to improve job performance at the individual level and increase services for the veterans rely upon the organization.

The final theme of perceptions of self at the VA perhaps yielded the best data on how financial incentives relate to organizational outcomes. The themes of job satisfaction and job performance are vital to any business or nonprofit as worker output determines customer satisfaction. Despite having reservations about how the allocation of financial incentives were distributed, all participants were satisfied within their job and felt that they performed strongly if not excellent. Managers should know that while employees felt their job performance is strong and they are content, they feel ignored with how financial recognition are distributed for their effort.

However, five participants felt that financial incentives did not affect their job performance, while another five felt that it positively motivated them. Therefore, leaders should examine other forms of motivation that could also stimulate job performance and

satisfaction. Managers may want to foster intrinsic motivation for those who are not attracted to extrinsic motivation. Using a mixed approach of motivation could help the organization, the customers who rely upon its services, and employees who provide those services, thereby creating positive social change across multiple levels.

This research also had implications for the conceptual framework. The framework for this study was the social exchange theory (SET). SET focuses on the inconsistent distribution of financial incentives, by focusing on the situations, collaborations, and learned behaviors in the form of rewards or costs, rather than pure economics (Beauregard, 2014; Blau, 1964; Varey, 2015). The theory aimed to isolate positive behaviors that associate with satisfaction from pay. These elements can include trust, commitment, job satisfaction, and job performance. The theory examines transactions by ensuring that they are perceived as fair. Failure to do so reduces organizational outcomes and employee satisfaction. The theory was previously applied to isolate counterproductive work behavior, employee management relationships, and employee job satisfaction (Arnéguy et al., 2018; Beauregard, 2014; Chernyak-Hai & Tziner, 2014).

The strongest implication that this study had on the conceptual framework was a discrepancy between the employee's acknowledgment that the standard for financial incentives were fair but unfairly applied. The results provided an opportunity to expand upon the framework. SET should now include the organizational standards within the assessment of social interaction. By identifying the differences between what the organization outlines as criteria for increased financial incentive and the actual social exchange between management and employees, the framework could incorporate how

these discrepancies further reduce the social contract between the parties. The social relationship between employees and management when dealing with financial incentives could be exponentially damaged due to the lack of adherence to policy guidelines. The perception of fairness within SET should be compared to the existing guidelines and how closely leadership follows those rules. The results of this research provided conceptual framework implications and confirmed that SET was the appropriate conceptual lens to understand the conclusions.

### **Conclusions**

The specific problem for this study was that inconsistent rule application by the VA in the distribution of financial incentives may affect how VA employees perceive organizational justice, affecting employees' job satisfaction and performance. The purpose of this qualitative transcendental phenomenological study was to explore the lived experiences of VA employees that informed their perceptions of their workplaces' level of organizational justice, their job satisfaction, and their performance due to inconsistent distribution of financial incentives by gathering data through interviews with VA employees from VISN 7. The central research question was 'what are the lived experiences of VA employees with respect to the inconsistent distribution of financial incentives, and how have these experiences shaped their perception of the level of organizational justice in their workplaces?' The study was guided by the conceptual framework of social exchange theory.

Four major themes were uncovered. The first major theme was practices of financial incentives, the second was fairness of financial incentives, the third major theme

was organizational justice at the VA and the final major theme was perceptions of self at VA. The results largely corresponded with previous literature reviewed in chapter 2 with differences providing opportunities for future research. Most importantly, the research yielded practical recommendations to increase the transparency of the financial incentive program to improve job satisfaction, performance, organizational outcomes, and customer satisfaction. While, employees should be justly compensated, it is ultimately the servicemen of the VA who benefited from this study as it provided instructions to increase organizational outcomes and customer satisfaction.

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## Appendix A: Recruitment Flyer

**Research participants needed**

For a research study about the distribution of financial incentives and VA employees' job satisfaction, work performance and perceptions of organizational justice. The goal of this study is to understand how the distribution of financial incentives impact VA employees' job satisfaction, work performance and perception of the VA's organizational justice.

*You may participate if you are a VA employee in the VISN 7 network of the VA who:*

(a) has been working at the VA for 3 years or more; and (b) is older than 18 years.

*Activities include:*

Talking to me on the telephone or email to check if you may take part in the study (10 minutes)

Reading, signing, and emailing the informed consent form (about 20 minutes)

Partaking in an audio recorded interview in a secure room (about 45-60 minutes)

At a later stage checking if the researcher captured the information correctly (about 20-30 minutes)

Participation is strictly voluntary, and no compensation will be given to participants.

*Interested? Any Questions?*

Please email the researcher or call.

Please use your personal telephone and/or email address when replying to protect your privacy.

I am looking forward to hearing from you!

## Appendix B: Interview Guide

**Interview Details:**

Name of interviewer: *Kingsley Ihekwoaba*

Code of interviewee: *RP-11*

Place of interview: *L-2*

Date and Time of interview: *5/8/2019* Start Time: *1545PM* End Time: *1635PM*

**Demographic Information:**

1. What is your age? *44*
2. What is your gender? *M*
3. How long have you been working with VA? *9 YRS*
4. Have you received or have knowledge of VA financial incentives? *YES*

**Introduction:**

Thank you for taking the time-off to participate in this study and for completing the informed consent. My name is Kingsley Ihekwoaba, a Ph.D. student at Walden University. The purpose of this study is to understand how the distribution of financial incentives impact VA employees' job satisfaction, work performance and perception of the VA's organizational justice. This interview is scheduled to last within 45 to 60 minutes, during this time I have several questions that I would like to cover with you, if there is any question you do not wish to answer, you are free to decline.

To facilitate my note-taking, if it is acceptable to you, I would like to audio record this interview to ensure no detail is omitted and enhance our conversation without distraction. All of your responses are confidential, and if at any time during the interview you wish to discontinue the use of the recorder or the interview itself, please feel free to



let me know. Your participation in this interview is completely voluntary. Please let me know if at any time you need to stop, take a break, or return to a previous question, and you are also free to withdraw your participation at any time without consequence. Do you have any questions or concerns before we begin? Then with your permission we will begin the interview.

### **Interview Questions**

Q 1: What would you say is the essence of the practice of financial incentives by VA?

Response:

Q 2. Please share your experiences regarding the financial incentives practice at VA.

Response:

Q 3: Could you explain how the financial incentives are allocated at VA?

Response:

Q 4: Based on your experiences, please tell me about the fairness of the VA's financial incentives.

Response:

Follow-up Q: How does this practice influence employees' job performance and job satisfaction?

Response:

Q 5: Please tell me about your job – how satisfied are you in your job at VA?

Response:

Q 6: Could you tell me about your performance as an employee at VA?

Response:

Q 7: How would you describe organizational justice in relation to VA financial incentive practice?

Response:

Q 8: On a scale of 1 to 5 with 1=not at all and 5=excellent, how would you rate the organizational justice of the VA? Also tell me the reason(s) for your rating.

Response:

Q 9: What changes would you like made to the financial incentives policy at VA to improve employee's work performance?

Response:

Q 10: In which manner (if at all) did the financial incentive program change your view of yourself as a productive worker?

Response:

Q 11: Describe to me the role of your supervisor regarding financial incentives distribution

Response:

Q 12: What are the attributes of performance that enhances award of financial incentives?

Response:

Q 13: How do you perceive these attributes being fairly or unfairly adhered to during evaluation for award of financial incentive?

Response:

**Conclusion:**

Thank you for your participation. I will send you a transcript of this interview to review and to confirm that I captured what you have shared with me or identify where I did not accurately transcribe so that I can correct the interpretation. Finally, do you have any questions? This concludes the interview.



## Appendix D: RP-1 NVivo Coding Diagram

