

Research

[Business](#)



Compensation Models Compensation Models Companies in the British Columbia, Canada adopt different compensation strategies or model for their workers and contractors. The most common models are the blended salary model and the salaried model. Specifically, the mixed model compensates the employees based on the level of output plus benefits and bonuses. For this reason, this mode is applicable for contract workers (Blomqvist & Busby, 2012). On the other hand, salaried model rewards the employee based on specified terms such as a monthly or annual contract. It means that the worker's salary is fixed and not likely to change unless through a specified channel depending on the organization.

In BC Canada, these models are visible in the healthcare industry and have various pros and cons as illustrated in the table below.

Advantages

Disadvantage

Contractors

Employee

Contractors

Employee

Salaried Model

Contractors and supplier have a fixed income regardless of the equipment supplied (Blomqvist & Busby, 2012)

Workers have a specified working schedule

Nurses earn a lot when deployed to unpopulated areas such as Sunshine Coast (Blomqvist & Busby, 2012)

Suppliers can make huge losses when supplying expensive equipment (Blomqvist & Busby, 2012)

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Contractors might compromise the quality in order to make profits

It is less motivating

Doctors do not work after the regular eight working hours a day

Inhibit the employment of subordinate staff

Surgeon will earn a lot from few operations

Blended Model

Contractors provide best services because quality determines their income

Has good value for money (Blomqvist & Busby, 2012)

Surgeons earn per surgery conducted therefore maximizing their income

Nurses earn a lot when deployed to unpopulated areas

The income of the contractor is unstable as their chances of earning are little when the workload is small

The salaried contractors are given priority

Demotivates workers in fewer populated areas

It requires a lot of working hours, causing fatigue (Blomqvist & Busby, 2012)

Grounded on the outlined advantages, different models suit dissimilar regions based on population. Business adopt either of the models focusing on the employee expertise and experience. In most cases, experienced employees favor the blended model because it allows flexibility and working for different organizations (Blomqvist & Busby, 2012). In so doing, they maximize their income. Companies adopt a similar rationale with an intention of getting the best out of expertise. Specifically, this occurs when the enterprise does not require such services frequently.

References

Blomqvist, A., & Busby, C. (2012). 365How to Pay Family Doctors: Why “ Pay

per Patient” is Better Than Fee for Service Primary (365). Toronto, Ontario: C. D. Howe Institute.