QUALITY MANAGEMENT PRACTICES EFFECTS ON THE PERFORMANCE OF PUBLIC HOSPITALS IN KENYA: A CASE OF MOI TEACHING AND REFERRAL HOSPITAL

BY

CHERUIYOT KIPKORIR BETHWEL

D53/OL/20153/2012

A RESEARCH PROJECT SUBMITTED TO THE SCHOOL OF BUSINESS IN PARTIAL FULFILLMENT FOR THE AWARD OF DEGREE IN MASTER OF BUSINESS ADMINISTRATION OF KENYATTA UNIVERSITY

APRIL, 2017
DECLARATION

This research project is my original work and has not been presented for a degree in any other University.

…………………………. .......................
Signature Date

Cheruiyot Kipkorir Bethwel
D53/OL/20153/2012

I confirm that the work in this research project was done by the candidate under my supervision.

…………………………. .......................
Signature Date

DR. HANNAH BULA
Department of Business Administration
School of Business
Kenyatta University
DEDICATION

I wish to dedicate this research project to my family.
ACKNOWLEDGEMENT

I wish to express my deepest gratitude to Dr. Hannah Bula, my project supervisor, department of Business Administration at Kenyatta University for his guidance and constructive criticism. I wish to thank my respondents for taking time in responding to my research questions and for agreeing to be a part of this research exercise. Special thanks to my course mates for their valuable input in fine-tuning my research dimension. Finally I wish to thank all those who either directly or indirectly helped me in the accomplishment of this task.
**TABLE OF CONTENTS**

DECLARATION.................................................................................................................................................. i
DEDICATION...................................................................................................................................................... iii
ACKNOWLEDGEMENT........................................................................................................................................ iv
LIST OF TABLES .................................................................................................................................................. vii
LIST OF FIGURES ................................................................................................................................................ x
ABBREVIATIONS/ACRONYMS ............................................................................................................................. xi
OPERATIONAL DEFINITION OF TERMS ............................................................................................................. xii
ABSTRACT .......................................................................................................................................................... xiii

CHAPTER ONE: INTRODUCTION ....................................................................................................................... 1
1.1 Introduction .................................................................................................................................................. 1
1.2 Background to the Study .............................................................................................................................. 1
1.2.1 Quality Management Practices .............................................................................................................. 1
1.2.2 Quality Management Practices .............................................................................................................. 2
1.2.3 Health Sector in Kenya .......................................................................................................................... 3
1.2.4 Moi Referral Hospital ............................................................................................................................. 5
1.3 Statement of the Problem ............................................................................................................................. 5
1.4 Objectives of the Study ............................................................................................................................... 6
1.4.1 General Objective .................................................................................................................................. 6
1.4.2 Specific Objectives .................................................................................................................................. 6
1.5 Research Questions ..................................................................................................................................... 7
1.6 Significance of the Study ............................................................................................................................. 7
1.7 Scope of the Study ......................................................................................................................................... 8
1.8 Limitations of the Study ............................................................................................................................... 8
1.9 Assumptions of the Study ............................................................................................................................ 9
1.10 Organization of the Study .......................................................................................................................... 9

CHAPTER TWO: LITERATURE REVIEW ............................................................................................................. 10
2.1 Introduction .................................................................................................................................................. 10
2.2 Theoretical Review .................................................................................................................................... 10
2.2.1 Structural Contingency Theory (SCT) ................................................................................................. 10
2.3 Empirical Review ....................................................................................................................................... 11
2.3.1 Top Management ................................................................. 11
2.3.2 Strategic Planning ............................................................... 13
2.3.3 Customer Focus ................................................................. 14
2.3.4 Employee Relations ............................................................ 16
2.4 Summary of the Literature ...................................................... 18
2.5 Knowledge Gaps ................................................................. 19
2.6 Conceptual Framework .......................................................... 20

CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY .......... 22
3.1 Introduction ............................................................................... 22
3.2 Research Design ....................................................................... 22
3.3 Target Population ..................................................................... 22
3.4 Sampling Design and Sample Size ............................................ 23
3.5 Research Instruments .............................................................. 24
3.5.1 Questionnaire ....................................................................... 25
3.6 Pilot Study ................................................................................ 25
3.6.1 Validity of the Instruments .................................................... 25
3.6.2 Reliability of the Instruments ............................................... 26
3.7 Data Collection Techniques ...................................................... 26
3.8 Data Analysis and Presentation ................................................ 26
3.9 Ethical Issues ........................................................................... 27

CHAPTER FOUR ............................................................................ 28
DATA ANALYSIS, PRESENTATION AND DISCUSSION ...................... 28
4.1 Introduction ............................................................................... 28
4.2 Response Rate ......................................................................... 28
4.3.1 Gender ................................................................................ 29
4.3.3 Work Experience ................................................................. 30
4.3.4 Level of Education ............................................................... 31
4.4 Descriptive Statistics .............................................................. 31
4.4.1 Top Management and Performance of Public Hospitals ....... 31
4.4.2 Strategic Planning and Performance of Public Hospitals ....... 33
4.4.3 Customer Focus and Performance of Public Hospitals ......... 35
LIST OF TABLES

Table 3.1: Target Population Sampling Frame .................................................................23
Table 3.2: Sample Size Table ............................................................................................24
Table 4.1: Respondents’ Age .............................................................................................29
Table 4.2: Respondents’ Level of Education .....................................................................31
Table 4.3: Top Management and Performance of Public Hospitals .................................32
Table 4.4: Strategic Planning and Performance of Public Hospitals .................................33
Table 4.5: Customer Focus and Performance of Public Hospitals ...................................35
Table 4.6: Employee Relations and Performance of Public Hospitals ..............................37
Table 4.7: Performance of Hospitals ..................................................................................38
Table 4.8: Results of Multiple Regressions ......................................................................39
Table 4.11: ANOVA ..........................................................................................................40
Table 4.12: Coefficients .....................................................................................................40
LIST OF FIGURES

Figure 2.1: Conceptual Framework ........................................................................................................21

Figure 4.1: Respondents’ Gender ........................................................................................................29

Figure 4.2: Respondents’ Work Experience .........................................................................................30
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANOVA</td>
<td>Analysis of Variance</td>
</tr>
<tr>
<td>FBO</td>
<td>Faith Based Organizations</td>
</tr>
<tr>
<td>ISO</td>
<td>International Standards for Organizations</td>
</tr>
<tr>
<td>KNH</td>
<td>Kenyatta National Hospital</td>
</tr>
<tr>
<td>NGOs</td>
<td>Non Governmental Organizations</td>
</tr>
<tr>
<td>QM</td>
<td>Quality management</td>
</tr>
<tr>
<td>RoK</td>
<td>Republic of Kenya</td>
</tr>
<tr>
<td>SARFIT</td>
<td>Structural Adaptation to Regain Fit</td>
</tr>
<tr>
<td>SCT</td>
<td>Structural Contingency Theory</td>
</tr>
<tr>
<td>SPSS</td>
<td>Statistical Package for Social Sciences</td>
</tr>
<tr>
<td>USA</td>
<td>United States of America</td>
</tr>
</tbody>
</table>
## OPERATIONAL DEFINITION OF TERMS

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality Management</td>
<td>Refers to a systematic quality improvement approach for firm-wide management for the purpose of improving performance in terms of quality, productivity, customer satisfaction, and profitability</td>
</tr>
<tr>
<td>Performance</td>
<td>Comprises of the actual output or results of an organization as measured against its intended outputs which are its goals and objectives</td>
</tr>
<tr>
<td>Top Management</td>
<td>Refers to the highest ranking executives (with titles such as chairman/chairwoman, chief executive officer, managing director, president, executive directors, executive vice-presidents, etc.) responsible for the entire enterprise.</td>
</tr>
<tr>
<td>Strategic Planning</td>
<td>Refers to the systematic process of envisioning a desired future, and translating this vision into broadly defined goals or objectives and a sequence of steps to achieve them</td>
</tr>
<tr>
<td>Customer Focus</td>
<td>Refers to the orientation of an organization toward serving its clients’ needs.</td>
</tr>
<tr>
<td>Employee Relation</td>
<td>Refers to a company’s efforts to manage relationships between employers and employees.</td>
</tr>
</tbody>
</table>
ABSTRACT

Adoption of Total Quality Management practices by organizations in Kenya develops voluntary technical standards, which add value to all types of business operations. They contribute to making the development and supply of products and services more efficiently, safer and cleaner. The general objective of this study was to investigate quality management practices effects on the performance of public hospitals in Kenya: A case of Moi Teaching and Referral Hospital. This study was guided by the following specific objectives: to establish the influence of top management on the performance of public hospitals in Kenya, to examine the influence of strategic planning on the performance of public hospitals in Kenya, to determine the influence of customer focus on the performance of public hospitals in Kenya and to identify the influence of employee relation on the performance of public hospitals in Kenya. The descriptive survey research design was used for this study. The target population comprised of 108 respondents from the 12 Departments in the Hospital. Data was collected using questionnaires and interviews. Quantitative data was analyzed using descriptive statistics such as mean, standard deviation, frequencies and tables and content analysis technique was used to analyse the qualitative data. The concluded that top management commitment was critical for organizational performance. Top management in the institutions under study was willing to commit organizational resource in supporting total quality management. Employee involvement had a direct relationship with organizational performance. Employees were involved in decision making within their respective organizations, employees are provided with adequate training and education to perform their tasks, and there were clear communication channel between employees and senior managers listened to employee’s opinions and encouraged team work among employees. The organization always attempted to meet its customer needs, address customers complaints as a priority for the organization, the organization actively performed market research to identify customer needs and that the organization provided clear channels of communication to its customers. The study recommended that in order for an organization to successfully implement quality management system, the top management must create, share and sustain quality management targets and values. Hospitals that exhibit higher levels of strategic planning perform better in both financial and non-financial indicators compared to those exhibiting low levels of strategic planning. For a successful quality management, customer orientation practices must be embedded within the organization. Hospitals in Kenya must enhance employee’s capacity in order to improve provision of service quality. Adequate number of high skilled and experienced employees must be employed continuously, discourage ineffective recruitment, encourage monitoring of doctors and staff, ensure that performance and practice standards are met to enhance service quality provision.
CHAPTER ONE: INTRODUCTION

1.1 Introduction

This chapter comprises of the background to the study, statement of the problem, purpose of the study, objectives of the study, research questions, significance of the study, scope of the study, limitations of the study, assumptions of the study and organization of the study.

1.2 Background to the Study

1.2.1 Quality Management Practices

Quality management (QM) according to Gharakhani et al (2013) is a systematic quality improvement approach for firm-wide management for the purpose of improving performance in terms of quality, productivity, customer satisfaction, and profitability. Gharakhani et al (2013) further note that QM is a management philosophy that is intended to empower every member of the organization. It is intended to promote continuous, sustained, and long term improvement in quality and productivity and to eliminate employees’ fear of change. Its basic principle is that the cost of prevention is less than the cost of correction.

Sila (2009) argue that QM focuses on continuous process improvement within organizations to provide superior customer value and meet customer needs. Quality management (QM) a popular guideline for organizational management is adopted for developing strategic infomaps and infocharts for an information organization. Quality management (QM) focuses on process improvement, customer and supplier involvement teamwork, and training and education in an effort to achieve customer satisfaction, cost effectiveness, and defect-free work. QM provides the culture and climate essential for innovation and for technology advancement (Sila, 2009).

Linderman et al (2010) note that quality management has been considered as a functional/operational level strategy, where most of the research and theory building in QM is
related to the micro-level of organizations, like organizational structure, work performance, organizational change, control human resource management, organizational behavior and leadership. Strategic planning are considered as a useful mechanism for gaining competitive strategy, yet the success of strategic planning requires effective management and control of inter-organizational procedures and practices ((Linderman et al., 2010).

1.2.2 Quality Management Practices

Quality management (QM) has been recognized as a comprehensive management paradigm for enhancing organizational performance and competitiveness. Kanji (2010) regarded quality management as “the second industrial revolution” (p, 4). Empirical research shows that quality management practices affect firm performance and competitiveness. For example, Reed et al (2009) argue that the content of QM can be distinguished based on the issue of two business orientations: customer orientation and process orientation. With customer orientation, organizations will focus on gaining a market advantage where they can outperform their competitors in terms of attracting more customers with distinguished products and charge a premium price. Dean and Bowen (2010) also argue that from a strategic management perspective, QM is concerned more with strategy implementation, or deployment, rather than strategic choice, or intent.

The implementation of quality management techniques enables organizations to improve internal efficiencies, which is considered as a prerequisite to become competitive in global marketplace (Lambert & Ouedraogo, 2010). Quality management practices have been built on the concept of total quality management (TQM) which has become a world-wide topic in the twenty-first century guiding quality management practices in organizations (Stading & Vokurka, 2011). Having its roots partly in the United States of America (USA) and partly in Japan, it was
primarily adopted by some Japanese companies in the decades immediately after World War II. With the greater successes of Japanese companies during the 1980s, companies all over the world found that it was necessary to have good quality management practices in order to stay competitive (lagrosen, 2012).

In Pakistan, there is a growing trend in organizations of adopting and promoting Quality Management (QM) as strategic tool to boost organizational performance and customer satisfaction for the past decades. Many Pakistani organizations have implemented ISO-9000 standards as an essential first step towards the TQM adoption. However, majority of the public sector organizations in Pakistan are still lagging behind to get benefited by implementing QM as a strategic approach to achieve excellence, especially public sector hospitals.

1.2.3 Health Sector in Kenya

The health sector in Kenya comprises the public system with major players including the Ministry of Health and parastatals organizations, and the private sector, which includes private for-profit, Non Governmental Organizations (NGOs), and Faith Based Organizations (FBO) facilities (RoK, 2010). In healthcare industry service quality has become an imperative in providing patient satisfaction because delivering quality service directly affects the customer satisfaction, loyalty and financial profitability of service businesses. In healthcare, service quality can be broken down into two quality dimensions: technical quality and functional quality (Dean and Lang, 2008). While technical quality in the health care sector is defined primarily on the basis of the technical accuracy of the medical diagnoses and procedures or the conformance to professional specifications, functional quality refers to the manner in which the health care service is delivered to the patients.
In Kenya, Health services are provided through a network of over 4,700 health facilities countrywide, with the public sector system accounting for about 51 percent of these facilities. The public health sector consists of the following levels of health facilities: national referral hospitals, provincial general hospitals, district hospitals, health centres, and dispensaries. Health services are integrated as one goes down the hierarchy of health structure from the national level to the provincial and district levels (RoK, 2010). The two national referral hospitals are Kenyatta National Hospital in Nairobi and Moi Referral and Teaching Hospital in Eldoret. County hospitals act as referral hospitals to their sub-county hospitals. The County level acts as an intermediary between the national central level and the sub-counties. They oversee the implementation of health policy at the sub-county level, maintain quality standards, and coordinate and control all sub-county health activities (RoK, 2010). Sub-county hospitals concentrate on the delivery of health care services and generate their own expenditure plans and budget requirements based on guidelines from headquarters through the provinces. The network of health centres provides many of the ambulatory health services.

Health centres generally offer preventive and curative services, mostly adapted to local needs. Dispensaries are meant to be the system’s first line of contact with patients, but in some areas, health centres or even hospitals are effectively the first points of contact. Dispensaries provide wider coverage for preventive health measures, which is a primary goal of the health policy. The government health service is supplemented by privately owned and operated hospitals and clinics and faith-based organizations’ hospitals and clinics, which together provide between 30 and 40 percent of the hospital beds in Kenya (RoK, 2010). Depending on their comparative advantage, Non Governmental Organizations, Faith Based Organizations and Community-Based Organizations (CBOs) undertake specific health services (RoK, 2010).
1.2.4 Moi Referral Hospital

Moi Teaching and referral hospital is the second National Referral Hospital in Kenya. It is located in Eldoret, in the Rift Valley Province of Kenya. It was opened in 1917 as a cottage hospital and it was not until the establishment of Moi University in 1984 and the subsequent establishment of the Faculty of Health Sciences at the University that the hospital elevated from a district hospital to a teaching and referral institution.

The hospital has an 800 bed capacity and received patients from western Kenya, parts of Eastern Uganda, and the southern Sudan. The AMPATH Centre is connected to MTRH and the staff work very closely together. Students from Moi University School of Medicine learn at this hospital, and students and residents from the AMPATH Consortium institutions are also often found on the wards learning from and teaching their Kenyan counterparts.

1.3 Statement of the Problem

Public healthcare sector, which includes public hospitals, dispensaries, basic healthcare units and maternity and child healthcare units, is one major source healthcare facilities provider that serves the nation by delivering best healthcare services to its citizens to keep them healthy, energetic and enable them to contribute in the national development. However facilities provided by them are inadequate to meet the needs of its people. It affects the smooth functioning of public hospital. Such a trend provides an opportunity for the openings in the private sector and private hospitals to fill in the gap by providing better quality of healthcare services to the patients. This is evident as the study conducted by Wilson (2012), reveals that private hospitals are providing better quality of healthcare services as compared to public sector hospitals.
Delivering service quality has significant relationship with customer satisfaction, customer retention, loyalty, costs, service guarantees and growth of organization. However, the poor state of customer service in some public hospitals in Kenya has resulted in high turnover and weak morale among staff, making it difficult to guarantee 24-hour coverage resulting in, problems with patients care, increased cost of operations due to inefficiencies leading some patients to look for an alternative provider and to spread negative word of mouth which affects potential clients hence growth of the hospital (Owino & Korir, 2013). This situation as Owino and Korir (2013) observe, is further worsened by the patients or customers perception of functional issues which they perceive and interact with during the course of seeking treatment such as physical facilities, internal process; interactions with doctors, nurses and other support staff as poor and unresponsive. Whereas there has been an attempt to improve the situation according Republic of Kenya (2010) report, it seems not much has been achieved in raising the quality of service in public health institutions and this is compounded by limited information on the factors that ail the delivery of service quality in the public health sector in Kenya. Therefore, this study will seek to investigate the effects of quality management practices on the performance of public hospitals in Kenya.

1.4 Objectives of the Study

1.4.1 General Objective

The general objective of this study was to investigate the effects of quality management practices on the performance of public hospitals in Kenya: A case of Moi Teaching and Referral Hospital.

1.4.2 Specific Objectives

This study was guided by the following specific objectives:
i. To establish the influence of top management on the performance of public hospitals in Kenya

ii. To examine the influence of strategic planning on the performance of public hospitals in Kenya

iii. To determine the influence of customer focus on the performance of public hospitals in Kenya

iv. To identify the influence of employee relation on the performance of public hospitals in Kenya

1.5 Research Questions

This study tried to seek answers to the following research questions:

i. What is the influence of top management on the performance of public hospitals in Kenya?

ii. What is the influence of strategic planning on the performance of public hospitals in Kenya?

iii. What is the influence of customer focus on the performance of public hospitals in Kenya?

iv. What is the influence of employee relation on the performance of public hospitals in Kenya?

1.6 Significance of the Study

This study will be of importance to the both public and private hospitals in Kenya and in ensuring fast adoption and use of quality management practices towards better performance. It will help them understand the factors affecting implementation of quality management practices and how to overcome these obstacles. It is aimed at helping different health firms attain success
better than others. The findings of this study will provide information to policy makers like the government ministry such as ministry of health in regard to policy regulations, formulation and implementation in the health sector. The study will act as a source of reference material for future researchers on other related topics; it will also help other academicians who will undertake the same topic in their studies. Apart from this, it also emphasized other significant relationships that require further research; this may be in the areas of relationships between quality management and organizational performance.

1.7 Scope of the Study

This study was carried out in Moi Teaching and Referral Hospital, Eldoret, Kenya. It looked at the influence of top management, strategic planning, customer focus and employee relation on the performance of hospitals in Kenya. Sectional Heads and employee participated in the study.

1.8 Limitations of the Study

A number of limitations are anticipated in the course of the study. Confidentiality of information was a key constraint as some respondents may appear to withhold crucial information pertinent to the achievement of the study objectives. The researcher however explained to the respondents that the study was only meant for academic purposes. The researcher also presented the introductory letter from the University to prove to them that the research had no negative motive as it is meant for education purposes. The study focused on all the departments in the Moi teaching and referral hospital, considering the expansive geography, this was expected to pose a challenge in data collection as regards to time. To counter this however, the researcher recruited a number of research assistants to help with the administration of the data collection instruments among the respondents targeted.
1.9 Assumptions of the Study

This study was based on the assumptions that the Moi Teaching and referral hospital authorities will grant the required permission to collect data from employees, employees will give truthful information to the research instrument administered to them and that there will be no serious changes in the composition of the target population that might affect the effectiveness of the study sample.

1.10 Organization of the Study

This study was organized in five chapters. Chapter one comprise of the background to the study, research problem, objectives of the study, purpose of the study, research questions, significance of the study, scope of the study, limitation of the study and assumptions of the study. Chapter two comprise of the theoretical review, empirical review, conceptual framework, knowledge gaps and summary of the literature review. Chapter three comprise of the research methodology, that is, research design, target population, sampling and sample size, data collection instruments, pilot study, data collection techniques, method of data analysis and ethical issues. Chapter four comprise of the research findings and discussion and finally, chapter five comprise of the summary of the findings, conclusion and recommendations.
CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter comprise of the theoretical review, empirical review, knowledge gaps, summary of the literature review and conceptual framework.

2.2 Theoretical Review

2.2.1 Structural Contingency Theory (SCT)

This study was guided by the Structural Contingency Theory (SCT) proposed by Donaldson (1996). The key element of structural contingency theory is that organizations must fit their structure to the contingency factors in order to maintain and improve performance. Structural contingency theory holds that there is no single, effective structure for all organizations. Instead, organizations must adapt their structures to fit the contingency factors and the environment as they affect the organization. Contingency factors include: strategy, size, task, uncertainty, parent organization, public accountability, critical assets and technology.

In postulating the relevance of the theory to improving organizational performance, Donaldson (2006) uses the 5-stage Structural Adaptation to Regain Fit (SARFIT) model. First, organization is in fit as it has acclimatized to its environment. In the second stage there is in contingency change where the organizational environment changes. Consequently in the third stage, the organization is in misfit and performance suffers. The fourth stage is where the organization does structural adaptation to correct the state of misfit and to reinstate its level of performance. In the final stage, the organization achieves a new fit and performance recovers. Strategic choice also plays a role in Kenyan Health institutions in that they bow to the imperative of adopting a new structure that fits its new level of the contingency factor in order to avoid loss of performance.
from misfit. It is thus with respect to this that this study will examine the quality management practices on the performance of public hospitals in Kenya.

2.3 Empirical Review

2.3.1 Top Management

Kandelousi et al (2011) mentioned that top management support can be viewed in several forms, for example, helping teams in dealing with hurdles, exhibiting commitment to the work and encouraging the subordinates. Usually top management support results in availability of in time financial resources, allocation of human and other physical resources and also it refers to the delegation of necessary power to project leaders and project team for successful completion of projects. Moreover, top management support is important recommendation in achievement of project success (Lin, 2010). In contrast, top management cannot provide even the due support to each and every project in the organization (Young & Jordan, 2008) therefore, they must realize the existence to project leaders who are directly involved in day to day activities of project.

Ahmad et al (2008) investigated top management commitment role in maintenance of ISO 9001:2008 and in outcomes of QM system in Algeria, practices and implementation in two large service organizations. The investigation concerned with top management commitment and leadership from different approaches such as involvement in quality improvement, providing necessary resources and showing steady commitment to quality perfection. Through applying different analysis techniques, the results showed a variation in extent of top management commitment role in ISO 9001:2008 maintenance and QM system and practices between the two organizations. The respondents of the first company reflected higher positive statements on their top management. The final conclusion of the study emphasized on the positive role of top management in ISO 9001:2008 maintenance and QM system outcomes (Ahmad et al., 2008).
Lares-Mankki (2008) examined the effects of top management’s practices on employee commitment, job satisfaction, and role uncertainty by surveying 862 insurance company workers. Five management practices are analyzed: creating and sharing an organizational goal, acting as a role model, encouraging creativeness, providing support for employees, and allowing employee participation in making job-related decisions. The results indicate that there is a strong relationship between top management’s actions and employees’ attitudes and perceptions.

Katz and Thomas (2011) assert that management’s involvement is indispensable for effective implementation of strategy. Top management provides a role model for other managers in assessing the salient environmental variables, their relationship to the organization, and the appropriateness of the organization’s response to these variables. Top management shapes the perceived relationships among organization components. Management is largely responsible for the determination of organization structure (e.g., information flow, decision making processes, and job assignments). They must recognize the existing organization culture and learn to work within or change its parameters. Management is also responsible for the design and control of the organization’s reward and incentive systems’ (Katz & Thomas, 2011).

According to Kirkman and Rosen (2009), top management is involved in the design of information systems for the organization. In this role, managers influence the key environmental variables to the organization. They must be certain that information concerning these key variables is available to the managers. Top level managers must also provide accurate and timely feedback concerning the organization’s performance and the performance of strategic business units of the organization. Considerable research on practices such as gain sharing, communication programs, work teams, job enrichment, skill based pay, and so on has shown the
results of these practices to be consistent and positive. When there is support from management, worker satisfaction and quality of work life has improved (Kirkman & Rosen, 2009).

2.3.2 Strategic Planning

Over time the concept and practice of strategic planning has been embraced worldwide and across sectors because of its perceived contribution to organizational effectiveness. Today organizations from both the private and public sectors have taken the practice of strategic planning seriously as a tool that can be utilized to fast track their performances. Strategic planning is arguably important ingredient in the conduct of strategic management. Steiner (2009) noted that the framework for formulating and implementing strategies is the formal strategic planning system. Porter (2010) noted that despite the criticism leveled against strategic planning during the 1970s and 80s, it was still useful and it only needed to be improved and recasted. Greenley (2011) noted that strategic planning has potential advantages and intrinsic values that eventually translate into improved firm performance. It is, therefore, a vehicle that facilitates improved firm performance.

Ansoff (2009) contends that strategic planning is management by plans, an analytical process and is focused in making optimal strategic decisions. Ansoff (2009) conceptualizes strategic planning as the process of seeking a better match between a firm’s products or technology and its increasingly turbulent markets. Ansoff (2009) looks at it in terms of change from a familiar environment to an unfamiliar world of strange technologies, strange competitors, new consumer attitudes, new dimensions of social control and above all, a questioning of the firm’s role in society. Sharing this view, Hofer and Schendel (2010) define strategic planning as an evolution of managerial response to environmental change in a focus moving from internal structure and
production efficiency, to the integration of strategy and structure and production innovation, multinational expansion and diversification.

David (2011) argues that firms’ record improved performance once they effectively embrace strategic planning. Carrying out the various steps in the strategic planning process is expected to facilitate the realization of organizational effectiveness. By defining a company’s purpose and goals, strategic planning provides direction to the organization and enhances coordination and control of organization activities. David (2011), note that a company’s strategy provides a central purpose and direction to the activities of the organization and to the people who work in it. Adding to this view, Kotter (2011) note that the identification of strategic issues and, strategy analysis and selection facilitates the achievement of efficient allocation of resources, sustainable competitive advantage, and improved innovation.

David (2011), note that a company’s strategy provides a central purpose and direction to the activities of the organization and to the people who work in it. Adding to this argument, David (2011) contends that the primary goal of strategic planning is to guide the organization in setting out its strategic intent and priorities and refocus itself towards realizing the same. Strategic planning allows an organization to be more proactive than reactive in shaping its own future, initiate and influence (rather than just respond to) activities, and thus to exert control over its destiny. It assists in highlighting areas requiring attention or innovation (David, 2011).

2.3.3 Customer Focus

In accordance with the philosophy of quality management, which emphasizes upon the importance of development launched by and for customers themselves, the practice of customer focus is frequently considered to be an integral feature of quality management. Thus as an
integral quality management feature, firms with strong practice on customer focus move beyond the objective of delivering products and services that meet customer expectation and demand (Verhoef and Lemon, 2013).

The practice of customer focus has been identified as pivotal for any organization seeking to reach a level of sustainable performance (Mokhtar, 2013). According to Mokhtar (2013), sustainable performance refers to an expectation that an organization is able to react rapidly and efficiently when faced with emerging customer-related issues, including a desire for changes within the operations being performed. This is an important factor, given the dynamic nature of customer expectations. Thus, in order to implement the practice of customer focus successfully, the organization must draw extensively on customer data which typically provides information that enables employees to engage more fully to address customer-related issues (Mokhtar, 2013).

Anderson defined Customer satisfaction as the degree to which a firm’s customers continually perceives that their needs are being met by the firm’s products and services. An organization must identify Customer relationship to Measure customer needs and expectations; involve customers in quality improvement; determine customer satisfaction (Prajogo & Sohal, 2008). The consumer is the most important part of the production line, Quality should be aimed at the needs of the consumer, present and future” (Deming, 2009). The customer should be closely involved in the product design and development process, with input at every stage of the process; so that there is less likelihood of quality problems once full production begins (Deming, 2009).

The availability of customer complaint information to managers and the degree of the use of customer feedback to improve product quality reveal the level of customer focus in an organization. As customer expectations are dynamic, an organization needs to survey customer
expectations regularly and modify its operations accordingly (Ahire et al., 2010). Within an increasingly competitive environment, customer focused strategies is an organization strategic tool for improving product/service quality (Guilding & McManus, 2012).

Several studies report a positive relationship between customer focused strategies and performance (Brah et al., 2007; Hendricks & Singhal, 2008; Kaynak, 2009; Douglas & Judge, 2010). Organizations placing greater emphasis on customer focused strategies will tend to attach a relatively high degree of importance to eliminating non value added activities and cost, building closer links with customers, having a management approach of meeting customers’ need, finding solutions to poor service, and regularly measuring customer service (Douglas & Judge, 2010).

Organizations that focus on continuous improvement, motivate employees to achieve quality output, and focus on satisfying customers’ needs are found to have a competitive edge (Joiner, 2007). CF-strategies emphasize the need to provide customers with high value service through improvements in efficiency by way of eliminating waste, non value added activities/cost and reducing lead times at all stage of services (Chenhall, 2009). Kim & Miller (2011) identify customer-focused activities such as activities associated with conformance quality, product reliability, on time delivery as important capabilities for competitiveness in the manufacturing firms.

2.3.4 Employee Relations

An important factor to achieve goals in firms is Workforce management, Workforce management is emphasized on recognize employee performance on quality; encourage team working; provide training; involve employees in quality decisions (Prajogo & Sohal, 2008). A
quality management program will be successfully implemented depends on the collaboration and coordination among a firm’s workforce. The employees can make timely and more responsive decisions to customers can have a positive impact towards customer relations through increased access to information and resources (Prajogo & Sohal, 2008). Empowering and involving all employees in making continuous improvement is essential; under such conditions. The organization must ensure that an organization-wide training program is available in order to provide employees with the proper skills.

Quality management is a new culture and a way of thinking, hence, without training such changes cannot be achieved. Training is the process of developing, changing and reinforcing job related behaviours. Oakland (2009) argues that employees, including supervisors are to be won over, not by compulsion but by training, leadership and recognition. Thus the fundamental to quality improvement is the availability of adequate supply of people who are educated in the philosophy and technical aspects of quality. Crosby (2010) recognizes the need for quality awareness to be raised among employees through education. His emphasis was on developing a quality culture within the organization so that the right climate exists.

The employee satisfaction is defined as the sensation when workforce is gratified and convinced with the practices, procedures and everyday endeavors in the organization. The satisfaction level of employees is measured through various scales by the organization. The employee turnover rate indicates that either employee’s are contented with the organization or not. Organizations introduce several programs and measures to contain and retain employees. On the other hand, employees are more concerned with the working environment, culture and job roles execution in the firm (Cheung & To, 2010).
Lagrosen (2007), employee satisfaction is also stated as the degree to which employees are glad and pleased to work in certain atmosphere. The satisfaction level of employees varies due to the presence of unusual factors. For instance, some employees work in critical circumstances and are satisfied with the job because of the salary and incentives they are getting in return of their services. Similarly, the satisfaction of employees is basically dependent upon work load, work environment, salary and reward and job role. The rampant behaviors of employees relevant to employee satisfaction basically revolve around the discussed elements (Lagrosen, 2007).

2.4 Summary of the Literature

Ansoff (2009) conceptualizes strategic planning as the process of seeking a better match between a firm’s products or technology and its increasingly turbulent markets. Ansoff (2009) looks at it in terms of change from a familiar environment to an unfamiliar world of strange technologies, strange competitors, new consumer attitudes, new dimensions of social control and above all, a questioning of the firm’s role in society. David (2011) argues that firms’ record improved performance once they effectively embrace strategic planning. Carrying out the various steps in the strategic planning process is expected to facilitate the realization of organizational effectiveness.

According to Mokhtar (2013), sustainable performance refers to an expectation that an organization is able to react rapidly and efficiently when faced with emerging customer-related issues, including a desire for changes within the operations being performed. This is an important factor, given the dynamic nature of customer expectations. Thus, in order to implement the practice of customer focus successfully, the organization must draw extensively on customer data which typically provides information that enables employees to engage more fully to address customer-related issues (Mokhtar, 2013).
A quality management program will be successfully implemented depends on the collaboration and coordination among a firm’s workforce. The employees can make timely and more responsive decisions to customers can have a positive impact towards customer relations through increased access to information and resources (Prajogo & Sohal, 2008). Empowering and involving all employees in making continuous improvement is essential; under such conditions.

2.5 Knowledge Gaps
Lamport et al (2010) stated that, despite the great evidence about the benefits of ISO 9000, it is still debatable as to whether or not the standards improve business performance and profitability. Lamport et al (2010) attempted to evaluate empirically the impact of ISO 9000 on the financial performance of a sample of companies in Singapore. The study discovered that there is an association between ISO 9000 certification and the overall financial performance of the companies studied. Though the ISO standards have a final goal, once a certificate has been issued, there is practically no motivation for further improvement by many companies.

Due to attempts to deploy better-quality practices, manufacturing and production procedures have utilized the principles of Quality Management (QM) in achieving practically zero defects. QM is an integrated management philosophy and set of practices that emphasizes, among other things, continuous improvement, management leadership and commitment, total customer satisfaction, employee involvement, training and education, reducing rework, and closer relationship with suppliers (Powell, 2009). In his book, Goeff (2011) stated that despite the successes of QM, many companies rely profoundly on standardization approaches, as QM is too empirical in its application and lacks not only a scientific and firm measure of success, but also a definite goal.
The need for quality as a functional component in the formulation of strategies for institutions to implement QM is clearly outlined by Bilich and Neto (2010) who stated that quality as a macro function of institutions must be present in the day-to-day running of an institution, in aspects such as establishment of policies, the decision process, selection of personnel, allocation of resources, definition of priorities and service delivery to satisfy customer requirements. According to Dale (2013) quality, reliability, delivery and price build the reputation enjoyed by the institution. Quality is the most important of these competitive weapons and is an extremely difficult concept to define in few words in order to agree on a consensus definition.

2.6 Conceptual Framework

<table>
<thead>
<tr>
<th>Independent Variables</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Top Management</strong></td>
</tr>
<tr>
<td>- Quality Policies</td>
</tr>
<tr>
<td>- Commitment</td>
</tr>
<tr>
<td>- Appointment</td>
</tr>
<tr>
<td>- Provision of Resources</td>
</tr>
<tr>
<td><strong>Strategic Planning</strong></td>
</tr>
<tr>
<td>- Formulation</td>
</tr>
<tr>
<td>- Implementation</td>
</tr>
<tr>
<td>- Evaluation</td>
</tr>
<tr>
<td><strong>Customer Focus</strong></td>
</tr>
<tr>
<td>- Identifying Needs</td>
</tr>
<tr>
<td>- Complaints/Compliments</td>
</tr>
<tr>
<td>- Communication Channels</td>
</tr>
<tr>
<td><strong>Employee Relation</strong></td>
</tr>
<tr>
<td>- Involvement</td>
</tr>
<tr>
<td>- Training</td>
</tr>
<tr>
<td>- Motivation</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Dependent Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Performance of Public Hospitals</strong></td>
</tr>
<tr>
<td>- Surplus</td>
</tr>
<tr>
<td>- Increase in Customers</td>
</tr>
<tr>
<td>- Operational Efficiency</td>
</tr>
</tbody>
</table>

Source: Author (2016)
Figure 2.1: Conceptual Framework

Figure 2.1 shows the relationship between independent and dependent variable. The independent variables are top management, strategic planning, customer focus and employee relations. The dependent variable is the performance of public hospitals.
CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

This chapter comprises of the research design, target population, sampling design and sample size, research instruments, pilot study, data collection techniques and methods of data analysis.

3.2 Research Design

Mugenda and Mugenda (2003) define a research design as “a blueprint for conducting a study with maximum control over factors that may interfere with the validity of the findings. The study used descriptive survey research design. The descriptive survey research design was used because the method gathers data from a relatively large number of different categories of respondents at a particular time. According to Mugenda (2003) this design is used when the study is aimed at collecting data from the respondents without the need to make a follow up of the same respondents thus saves time to collect the necessary information when the design is used, data is collected using mainly interviews and questionnaires and is often analyzed using descriptive analysis in survey research.

3.3 Target Population

Orodho (2008) defines target population as a large population from whom a sample population is selected. The target population comprised of 108 respondents from the 12 Departments in the Hospital which include; Accident & Emergency, Dental, Dietetic Services, Family Medicine, Medicine, Paediatrics, Pathology (Laboratory), Pharmacy, Physiotherapy & Rehabilitation Services, Radiology, Surgery and Women’s Services (Obstetrics & Gynaecology).
Table 3.1: Target Population Sampling Frame

<table>
<thead>
<tr>
<th>Department</th>
<th>Targeted Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accident &amp; Emergency</td>
<td>10</td>
</tr>
<tr>
<td>Dental</td>
<td>8</td>
</tr>
<tr>
<td>Dietetic Services</td>
<td>11</td>
</tr>
<tr>
<td>Family Medicine</td>
<td>5</td>
</tr>
<tr>
<td>Medicine</td>
<td>4</td>
</tr>
<tr>
<td>Paediatrics</td>
<td>10</td>
</tr>
<tr>
<td>Pathology (Laboratory)</td>
<td>10</td>
</tr>
<tr>
<td>Pharmacy</td>
<td>10</td>
</tr>
<tr>
<td>Physiotherapy &amp; Rehabilitation Services</td>
<td>10</td>
</tr>
<tr>
<td>Radiology</td>
<td>10</td>
</tr>
<tr>
<td>Surgery</td>
<td>10</td>
</tr>
<tr>
<td>Women’s Services (Obstetrics &amp; Gynaecology)</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>108</strong></td>
</tr>
</tbody>
</table>

*Source: HRM Department*

3.4 Sampling Design and Sample Size

Sampling means selecting a given number of subjects to represent the population. Any statements made about the sample should also be true of the population (Orodho, 2008). Stratified sampling design will be used whereby the target population will be divided into strata according to functional departments, thereafter sample size will be determined by applying Cooper and Schindler (2003) formula. Simple random method was used to distribute the questionnaires.

\[ n = \frac{N}{1 + N(e)^2} \]
Where: n= Sample size, N= Population size e= Level of Precision.

At 95% level of confidence and P=5%, n= 108/(1+108(0.05)^2) n= 85

Table 3.2: Sample Size Table

<table>
<thead>
<tr>
<th>Department</th>
<th>Target Population</th>
<th>Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accident &amp; Emergency</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>Dental</td>
<td>8</td>
<td>6</td>
</tr>
<tr>
<td>Dietetic Services</td>
<td>11</td>
<td>8</td>
</tr>
<tr>
<td>Family Medicine</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Medicine</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Paediatrics</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>Pathology (Laboratory)</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>Pharmacy</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>Physiotherapy &amp; Rehabilitation Services</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>Radiology</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>Surgery</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>Women’s Services (Obstetrics &amp; Gynaecology)</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>108</strong></td>
<td><strong>85</strong></td>
</tr>
</tbody>
</table>

Source: Author (2016)

3.5 Research Instruments

The main data collection instruments for this study were questionnaires for the employees and for the sectional heads.
3.5.1 Questionnaire

Questionnaire was used for the purpose of collecting primary quantitative data. Additionally, the questionnaires was used for the following reasons: a) its potentials in reaching out to a large number of respondents within a short time, b) able to give the respondents adequate time to respond to the items, c) offers a sense of security (confidentiality) to the respondent and d) it is objective method since no bias resulting from the personal characteristics (as in an interview) (Owens, 2002). The questionnaire was divided into the main areas of investigation except the first part which captures the demographic characteristics of the respondents. Other sections were organized according to the major research objectives.

3.6 Pilot Study

Pilot study is a distinct preliminary investigation conducted before embarking on the main study (Mugenda & Mugenda, 2003). Before collecting the actual data, the researcher carried out a pilot study in Kenyatta National Hospital (KNH), Nairobi County to assess the clarity of the questionnaire items so that those items found to be vague or inadequate are discarded or modified to improve the quality of the research instruments.

3.6.1 Validity of the Instruments

Validity refers to the degree to which a test or other measuring device is truly measuring what was intended to measure or measure what it purports to measure. It refers to the relationship between the data and the variable being measured (Mugenda, 2003). The researcher collected evidence for demonstrating validity that the content of the items represents constructs. Construct validity was determined by the theoretical relationships specified, examining the empirical relationship between the measure of the concept, and interpreting empirical evidence in terms of how it clarifies the construct validity of the measure being tested.
3.6.2 Reliability of the Instruments

Cooper and Schindler (2011) explain reliability of research as determining whether the research will truly measure that which it was intended to measure or how truthful the research results will be. Reliability was assessed with the use of Cronbach’s alpha coefficient. The coefficient was used to estimate the proportion of variance that is systematic or consistent in a set of test scores. The analysis was conducted for all statements structured on a likert point scale using Cronbach alpha score test. This method is preferred over split half technique because it is easier to calculate. The alpha value ranges between 0 and 1 with reliability increasing with the increase in value. Coefficient of 0.6-0.7 is a commonly recommended that indicates acceptable reliability and 0.8 or higher indicate good reliability (Mugenda, 2003).

3.7 Data Collection Techniques

A research permit was obtained from the school of business, Kenyatta University after the proposal approval. Thereafter, the management at the Moi teaching and referral hospital was contacted before the start of the study. The researcher personally administered the research instruments to the respondents who were assured that strict confidentiality would be maintained in dealing with the responses. The respondents were given about one week to fill in the questionnaires after which the filled-in questionnaires will be collected.

3.8 Data Analysis and Presentation

The study used both quantitative and qualitative method of data analysis. Quantitative analysis was used on data collected through questionnaires. Collected data was first coded and then quantitatively analyzed according to statistical information derived from the research questions. The coded data was then tabulated and presented for statistical analysis by calculating the percentages, means and variance on each variable by use of Statistical Package for Social
Sciences (SPSS) version 17.0. Data results were presented in tables, graphs and charts to give a clear picture on the findings. Content analysis technique was used to analyze qualitative data collected using interview schedules and reported in narrative form along with quantitative presentation. Regressions and Analysis of Variance (ANOVA) test was used to determine the relationship between the independent variables and dependent variables. The regression equation was:

\[ Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon \]

Whereby \( Y \) = performance of public hospitals

\( X_1 = \) Top Management

\( X_2 = \) Strategic Planning

\( X_3 = \) Customer Focus

\( X_4 = \) Employee Relations

\( \beta_1, \beta_2, \beta_3 \) and \( \beta_4 \) are coefficients of determination

\( \epsilon \) is the error term.

3.9 Ethical Issues

The researcher was obtained an authorization letter from the University. The researcher undertook to keep private any information given by the respondents that could touch on their persons or their private life. The researcher assured the respondents that no private information will be divulged to a third party. The researcher also ensured and assured the respondent that his or her individual identity will not be revealed whatsoever. The nature and the purpose of the research were explained to the respondents by the researcher.
CHAPTER FOUR
DATA ANALYSIS, PRESENTATION AND DISCUSSION

4.1 Introduction
This chapter presents the result of the study findings based on the four research objectives. The general objective of this study was to investigate the effects of quality management practices on the performance of public hospitals in Kenya: A case of Moi Teaching and Referral Hospital. The specific objectives of the study were to establish the influence of top management, strategic planning, customer focus and employee relation on the performance of public hospitals in Kenya.

Quantitative data was analysed using descriptive statistics such as percentages, mean and standard deviation with the use of Statistical Package for Social Sciences (SPSS) version 17.0 and presented in tables, charts, figures and graphs. The response rate is given first then study findings subdivided into background information of the respondents followed by descriptive statistics as per the study objectives and finally the regression analysis results.

4.2 Response Rate
The study administered a total of 85 questionnaires to different departments in Moi Teaching and Referral Hospital. Out of the 85 questionnaires administered, 76 were collected fully filled and were used in the study. This represents a response rate of 89.4%. According to Mugenda and Mugenda (2003) a response rate of 50% is adequate for a study, 60% is good and 70% is excellent for a study. Therefore this response rate was considered excellent and reliable for the study.
4.3 Demographic Data

The background information of the respondents was based on gender, age, work experience and level of education.

4.3.1 Gender

Figure 4.1: Respondents’ Gender

Source: Research Data (2016)

Figure 4.1 shows that majority (56.6%) of the respondents were male and 43.4% female. Though the findings indicate that majority of the respondents were male, all the genders were well represented.

4.3.2 Age

Table 4.1: Respondents’ Age

<table>
<thead>
<tr>
<th>Years</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;25</td>
<td>16</td>
<td>21.1</td>
</tr>
<tr>
<td>25-35</td>
<td>26</td>
<td>34.2</td>
</tr>
<tr>
<td>36-45</td>
<td>22</td>
<td>28.9</td>
</tr>
<tr>
<td>45+</td>
<td>12</td>
<td>15.8</td>
</tr>
<tr>
<td>Total</td>
<td>76</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Research Data (2016)
Table 4.1 shows that majority (34.2%) of the respondents were aged between 25 and 35 years followed by 28.9% aged between 36 and 45 years, 21.1% aged less than 25 years and 15.8% aged over 45 years old. This shows the respondents involved in the study cut across all the ages.

4.3.3 Work Experience

Figure 4.2: Respondents’ Work Experience

Source: Research Data (2016)

Figure 4.2 shows that majority (38.2%) of the respondents had a work experience of more than 10 years followed by 26.3% who had a work experience of between 6 and 10 years, 25% between 2 and 5 years and 10.5% of less than 2 years. These findings indicate that majority of the respondents had worked for a long periods in Moi Teaching and Referral Hospital and understands the hospital better to participate in the study.
4.3.4 Level of Education

Table 4.2: Respondents’ Level of Education

<table>
<thead>
<tr>
<th>Level</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diploma/College</td>
<td>11</td>
<td>14.5</td>
</tr>
<tr>
<td>University Degree</td>
<td>41</td>
<td>53.9</td>
</tr>
<tr>
<td>Post-graduate Diploma</td>
<td>9</td>
<td>11.8</td>
</tr>
<tr>
<td>MBA/MA</td>
<td>15</td>
<td>19.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>76</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source: Research Data (2016)

Table 4.2 shows that majority (53.9%) of the respondents had attained a university degree level of education followed by 19.7% MBA/MA, 14.5% Diploma/College and 11.8% Post-graduate diploma. This shows that majority of the respondents had a bachelor degree level of education and could respond to the research questions adequately.

4.4 Descriptive Statistics

The descriptive statistics such as means and standard deviations were used to present that quantitative data with the use of Statistical Package for Social Sciences (SPSS) version 17.0. These were presented as per the study objectives as follows.

4.4.1 Top Management and Performance of Public Hospitals

The first research objective sought to establish the influence of top management on the performance of public hospitals in Kenya. The respondents were given a list of statements on a five-point likert scale to indicate their extent to which they concur. This is shown in Table 4.3.
Table 4.3: Top Management and Performance of Public Hospitals

<table>
<thead>
<tr>
<th>Statement</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support of quality policies by senior level management</td>
<td>3.53</td>
<td>0.960</td>
</tr>
<tr>
<td>Senior level management is committed to quality</td>
<td>2.03</td>
<td>0.577</td>
</tr>
<tr>
<td>Selection, promotion and appointment of staff by senior level management to positions is by merit</td>
<td>3.83</td>
<td>1.217</td>
</tr>
<tr>
<td>Senior level management are always willing to provide resources necessary to maintain quality in operations</td>
<td>2.43</td>
<td>0.984</td>
</tr>
<tr>
<td>The commitment of Senior level management is critical for success in total quality management implementation</td>
<td>3.43</td>
<td>1.107</td>
</tr>
<tr>
<td>Institution processes and operations are standardized</td>
<td>2.58</td>
<td>1.318</td>
</tr>
<tr>
<td>Top management creates and sustains clear visions, goals, targets and shared values as concern quality management system</td>
<td>2.53</td>
<td>0.987</td>
</tr>
</tbody>
</table>

**Key:** M – Mean; SD – Standard Deviation

**Source:** Research Data (2016)

Table 4.3 shows that majority of the respondents strongly agreed that selection, promotion and appointment of staff by senior level management to positions is by merit (M=3.83, SD=1.217) followed by support of quality policies by senior level management (M=3.53, SD=0.960) and the commitment of senior level management is critical for success in total quality management implementation (M=3.43, SD=1.107). These were followed by the statements that institution processes and operations are standardized (M=2.58, SD=1.318) followed by top management creates and sustains clear visions, goals, targets and shared values as concern quality management system (M=2.53, SD=0.987), senior level management are always willing to provide resources necessary to maintain quality in operations (M=2.43, SD=0.984) and senior level management is committed to quality (M=2.03, SD=0.577).

These findings concur with the findings of Kandelousi et al (2011) who mentioned that top management support can be viewed in several forms, for example, helping teams in dealing with
hurdles, exhibiting commitment to the work and encouraging the subordinates. Usually top management support results in availability of in time financial resources, allocation of human and other physical resources and also it refers to the delegation of necessary power to project leaders and project team for successful completion of projects.

Kzatz and Thomas (2011) assert that management’s involvement is indispensable for effective implementation of strategy. Top management provides a role model for other managers in assessing the salient environmental variables, their relationship to the organization, and the appropriateness of the organization’s response to these variables. Top management shapes the perceived relationships among organization components. Management is largely responsible for the determination of organization structure (e.g., information flow, decision making processes, and job assignments).

### 4.4.2 Strategic Planning and Performance of Public Hospitals

The second research objective sought to examine the influence of strategic planning on the performance of public hospitals in Kenya. The respondents were given a list of statements on a five-point likert scale to indicate their extent to which they concur. This is shown in Table 4.4.

**Table 4.4: Strategic Planning and Performance of Public Hospitals**

<table>
<thead>
<tr>
<th>Statement</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defining hospital’s corporate Direction</td>
<td>3.70</td>
<td>1.114</td>
</tr>
<tr>
<td>Appraisal of hospital environment</td>
<td>3.43</td>
<td>0.903</td>
</tr>
<tr>
<td>Identification and analysis of firm’s strategic issues</td>
<td>3.60</td>
<td>0.955</td>
</tr>
<tr>
<td>Strategy generation, evaluation and selection</td>
<td>3.80</td>
<td>0.853</td>
</tr>
<tr>
<td>Development of implementation, evaluation and control systems</td>
<td>3.93</td>
<td>0.694</td>
</tr>
</tbody>
</table>

**Key:** M – Mean; SD – Standard Deviation

**Source:** Research Data (2016)
Table 4.4 shows that majority of the respondents strongly agreed that development of implementation, evaluation and control systems (M=3.93, SD=0.694), followed by strategy generation, evaluation and selection (M=3.80, SD=0.853) and defining hospital’s corporate direction (M=3.70, SD=1.114). These were followed by the statements that identification and analysis of firm’s strategic issues (M=3.60, SD=0.955) and appraisal of hospital environment (M=3.60, SD=0.955).

These findings are in line with the findings of Ansoff (2009) who contends that strategic planning is management by plans, an analytical process and is focused in making optimal strategic decisions. Ansoff (2009) conceptualizes strategic planning as the process of seeking a better match between a firm’s products or technology and its increasingly turbulent markets. Sharing this view, Hofer and Schendel (2010) define strategic planning as an evolution of managerial response to environmental change in a focus moving from internal structure and production efficiency, to the integration of strategy and structure and production innovation, multinational expansion and diversification.

David (2011), note that a company’s strategy provides a central purpose and direction to the activities of the organization and to the people who work in it. Adding to this argument, David (2011) contends that the primary goal of strategic planning is to guide the organization in setting out its strategic intent and priorities and refocus itself towards realizing the same. Strategic planning allows an organization to be more proactive than reactive in shaping its own future, initiate and influence (rather than just respond to) activities, and thus to exert control over its destiny.
4.4.3 Customer Focus and Performance of Public Hospitals

The third research objective sought to determine the influence of customer focus on the performance of public hospitals in Kenya. The respondents were given a list of statements on a five-point likert scale to indicate their extent to which they concur. This is shown in Table 4.5.

Table 4.5: Customer Focus and Performance of Public Hospitals

<table>
<thead>
<tr>
<th>Statement</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees are trained on customer focus practices</td>
<td>1.83</td>
<td>0.903</td>
</tr>
<tr>
<td>Attention to customer needs is key to organizational success</td>
<td>4.10</td>
<td>0.871</td>
</tr>
<tr>
<td>The organization always meets customer needs and expectations</td>
<td>4.55</td>
<td>0.714</td>
</tr>
<tr>
<td>Customer complaints are given priority by the organization</td>
<td>3.38</td>
<td>1.192</td>
</tr>
<tr>
<td>The organization performs market research to find out customer needs</td>
<td>2.70</td>
<td>1.224</td>
</tr>
<tr>
<td>Customers have clear channels of communication with the organization</td>
<td>2.60</td>
<td>1.008</td>
</tr>
<tr>
<td>When the customer succeeds the organization succeeds</td>
<td>3.78</td>
<td>0.947</td>
</tr>
<tr>
<td>Employees derive satisfaction from fulfilling customer expectation</td>
<td>4.05</td>
<td>0.932</td>
</tr>
</tbody>
</table>

Key: M – Mean; SD – Standard Deviation

Source: Research Data (2016)

Table 4.5 shows that majority of the respondents strongly agreed on the statement that the organization always meets customer needs and expectations (M=4.55, SD=0.714), followed by the statement that attention to customer needs is key to organizational success (M=4.10, SD=0.871) and employees derive satisfaction from fulfilling customer expectation (M=4.05, SD=0.932). These were followed by the statements that when the customer succeeds the organization succeeds (M=3.78, SD=0.947), Customer complaints are given priority by the organization (M=3.38, SD=1.192), the organization performs market research to find out customer needs (M=2.70, SD=1.224), customers have clear channels of communication with the organization (M=2.60, SD=1.008) and employees are trained on customer focus practices (M=1.83, SD=0.903).
These findings concur with the findings of Verhoef and Lemon (2013) who observed that an integral quality management feature, firms with strong practice on customer focus move beyond the objective of delivering products and services that meet customer expectation and demand. The practice of customer focus has been identified as pivotal for any organization seeking to reach a level of sustainable performance (Mokhtar, 2013). The customer should be closely involved in the product design and development process, with input at every stage of the process; so that there is less likelihood of quality problems once full production begins (Deming, 2009).

Organizations that focus on continuous improvement, motivate employees to achieve quality output, and focus on satisfying customers’ needs are found to have a competitive edge (Joiner, 2007). CF-strategies emphasize the need to provide customers with high value service through improvements in efficiency by way of eliminating waste, non value added activities/cost and reducing lead times at all stage of services (Chenhall, 2009). Kim & Miller (2011) identify customer-focused activities such as activities associated with conformance quality, product reliability, on time delivery as important capabilities for competitiveness in the manufacturing firms.

4.4.4 Employee Relations and Performance of Public Hospitals

The fourth research objective sought to identify the influence of employee relation on the performance of public hospitals in Kenya. The respondents were given a list of statements on a five-point likert scale to indicate their extent to which they concur. This is shown in Table 4.6.
Table 4.6: Employee Relations and Performance of Public Hospitals

<table>
<thead>
<tr>
<th>Statement</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees are given chance to participate in decision making</td>
<td>3.28</td>
<td>0.716</td>
</tr>
<tr>
<td>Employees are provided with enough training and education to adequately perform their tasks</td>
<td>1.95</td>
<td>0.904</td>
</tr>
<tr>
<td>There is a clear communication channel between employee and senior managers</td>
<td>3.83</td>
<td>0.712</td>
</tr>
<tr>
<td>Employee’s opinions are listened to by senior managers</td>
<td>3.50</td>
<td>1.109</td>
</tr>
<tr>
<td>Employees are encouraged to work in teams by senior managers</td>
<td>1.85</td>
<td>0.949</td>
</tr>
</tbody>
</table>

**Key:** M – Mean; SD – Standard Deviation

**Source:** Research Data (2016)

Table 4.6 shows that majority of the respondents strongly agreed on the statement that there is a clear communication channel between employee and senior managers (M=3.83, SD=0.712), followed by the statement that employee’s opinions are listened to by senior managers (M=3.50, SD=1.109) and employees are given chance to participate in decision making (M=3.28, SD=0.716). These were followed by the statements that employees are provided with enough training and education to adequately perform their tasks (M=1.95, SD=0.904) and employees are encouraged to work in teams by senior managers (M=1.85, SD=0.949).

These findings agree with the findings of Prajogo and Sohal (2008) who found that the employees can make timely and more responsive decisions to customers can have a positive impact towards customer relations through increased access to information and resources. Empowering and involving all employees in making continuous improvement is essential; under such conditions. The organization must ensure that an organization-wide training program is available in order to provide employees with the proper skills.

Oakland (2009) argues that employees, including supervisors are to be won over, not by compulsion but by training, leadership and recognition. Thus the fundamental to quality
improvement is the availability of adequate supply of people who are educated in the philosophy and technical aspects of quality. Crosby (2010) recognizes the need for quality awareness to be raised among employees through education. His emphasis was on developing a quality culture within the organization so that the right climate exists.

4.5 Performance of Hospitals

Table 4.7: Performance of Hospitals

<table>
<thead>
<tr>
<th>Statement</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus</td>
<td>3.78</td>
<td>0.891</td>
</tr>
<tr>
<td>Increase in customers</td>
<td>2.63</td>
<td>1.295</td>
</tr>
<tr>
<td>Operational efficiency</td>
<td>4.00</td>
<td>0.934</td>
</tr>
</tbody>
</table>

*Key:* M – Mean; SD – Standard Deviation

*Source: Research Data (2016)*

Table 4.7 shows that majority of the respondents strongly agreed on operational efficiency (M=4.00, SD=0.934) followed by surplus (M=3.78, SD=0.891) and increase in customers (M=3.78, SD=0.891). The implementation of quality management techniques enables organizations to improve internal efficiencies, which is considered as a prerequisite to become competitive in global marketplace (Lambert & Ouedraogo, 2010). Quality management practices have been built on the concept of total quality management (TQM) which has become a world-wide topic in the twenty-first century guiding quality management practices in organizations (Stading & Vokurka, 2011).

Reed et al (2009) argue that the content of QM can be distinguished based on the issue of two business orientations: customer orientation and process orientation. With customer orientation, organizations will focus on gaining a market advantage where they can outperform their
competitors in terms of attracting more customers with distinguished products and charge a premium price.

4.6 Regression Analysis

Regression analysis was used to model, examine, and explore the relationships between the performance of Hospitals in Kenya against the four independent variables (top management, strategic planning, customer focus and employee relations) used for the study.

4.6.1 Model Summary

Table 4.83: Results of Multiple Regressions

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>St. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.702</td>
<td>0.811</td>
<td>0.845</td>
<td>0.648</td>
</tr>
</tbody>
</table>

Source: Research Data (2016)

The four independent variables (top management, strategic planning, customer focus and employee relations) that were studied, explain 84.5% of the performance of hospitals in Kenya as represented by the adjusted R square. This therefore means that other factors not studied in this research contribute 15.5% of the performance of hospitals in Kenya. Therefore, further research should be conducted to investigate the other factors (15.5%) that affect the performance hospitals in Kenya.

4.6.2 Analysis of Variance (ANOVA)

Analysis of Variance (ANOVA) was used to determine the linear relationship among the variables under investigation. Using this method, the sum of squares, degrees of freedom (df), mean square, value of F(calculated) and its significance level was obtained. The results are shown in Table 4.9.
Table 4.94: ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>3.001</td>
<td>4</td>
<td>2.012</td>
<td>7.52</td>
<td>0.001</td>
</tr>
<tr>
<td>Residual</td>
<td>6.120</td>
<td>72</td>
<td>1.130</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>9.121</td>
<td>76</td>
<td>3.142</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Research Data (2016)

The significance value is 0.001 which is less than 0.05, thus the model is statistically significant in predicting how top management, strategic planning, customer focus and employee relations influenced the performance of hospitals in Kenya. The F calculated at 5% level of significance was 7.52. Since F calculated is greater than the F critical (p value = 3.142), this shows that the overall model was significant.

4.6.3 Coefficients

Table 4.50: Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>0.512</td>
<td>0.645</td>
<td>3.231</td>
<td>0.031</td>
</tr>
<tr>
<td>Top Management</td>
<td>0.722</td>
<td>0.082</td>
<td>3.321</td>
<td>0.011</td>
</tr>
<tr>
<td>Strategic Planning</td>
<td>0.755</td>
<td>0.214</td>
<td>2.438</td>
<td>0.024</td>
</tr>
<tr>
<td>Customer Focus</td>
<td>0.792</td>
<td>0.234</td>
<td>4.475</td>
<td>0.021</td>
</tr>
<tr>
<td>Employee Relations</td>
<td>0.625</td>
<td>0.542</td>
<td>1.532</td>
<td>0.035</td>
</tr>
</tbody>
</table>

Source: Research Data (2016)

As shown in table 4.10 top management, strategic planning, customer focus and employee relations had a positive and significant effect in performance of hospitals in Kenya as indicated by beta values. The relationships (p < 0.05) are all significant with top management (t= 3.321, p < 0.05), strategic planning (t = 2.438, p < 0.05), customer focus (t = 4.475, p < 0.05) and employee relations (t = 1.532, p < 0.05). Customer focus was found to have a greater (79.2%)
influence on the performance of hospitals in Kenya compared to other independent variables studied.

The established regression equation by the study was \( Y = 0.512 + 0.722X_1 + 0.755X_2 + 0.792X_3 
+ 0.625X_4. \)

Where \( Y \) = Performance of Hospitals

\( X_1 \) = Top Management

\( X_2 \) = Strategic Planning

\( X_3 \) = Customer Focus

\( X_4 \) = Employee Relations

From the above regression model, holding top management, strategic planning, customer focus and employee relations constant, performance of hospitals in Kenya would be 0.512.
CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The chapter presents a summary of the findings, conclusions and recommendations as per the research objective.

5.2 Summary of the Findings

5.2.1 Top Management

The study revealed that top management had a positive and significant effect on performance hospitals in Kenya. Majority of the respondents strongly agreed that selection, promotion and appointment of staff by senior level management to positions is by merit, support of quality policies by senior level management and the commitment of senior level management is critical for success in total quality management implementation.

5.2.2 Strategic Planning

The study established that strategic planning had a positive and significant effect on performance hospitals in Kenya. Majority of the respondents strongly agreed that development of implementation, evaluation and control systems. Performance of the hospitals in Kenya was highly affected by strategy generation, evaluation and selection and also defining hospital’s corporate direction.

5.2.3 Customer Focus

The study found that customer focus had a positive and significant effect on performance hospitals in Kenya. Majority of the respondents strongly agreed on the statement that the organization always meets customer needs and expectations. Attention to customer needs is key
to organizational success and employees derive satisfaction from fulfilling customer expectation influences the performance of Hospitals in Kenya.

5.2.4 Employee Relations

The study established that employee relations had a positive and significant effect on performance hospitals in Kenya. Majority of the respondents strongly agreed on the statement that there is a clear communication channel between employee and senior managers. Employee’s opinions are listened to by senior managers and employees are given chance to participate in decision making in hospitals in Kenya.

5.3 Conclusion

On top management, this study concluded that top management commitment was critical for organizational performance. The study also found that top management in the institutions under study was willing to commit organizational resource in supporting total quality management. Results also indicated that institutional processes and procedures were standardized to meet total quality management requirements.

On strategic planning, this study concluded that the organization is increasingly embracing the practice of strategic planning in anticipation that this will translate to improved performance. Every step in the strategic planning process is important. Strategic planning facilitates effective organization performance. Strategic planning results in a viable match between the firm and its external environment. Strategy concerns an analysis of the firm’s environment, leading to what the firm, given its environment, should achieve. Environmental scanning and analysis allows the firm to be connected to its environment and guarantees the alignment between the firm and its environment.
On customer focus the study concluded that customer focus was critical for organizational performance. The results indicated that the organization always attempted to meet its customer needs, address customers complaints as a priority for the organization, the organization actively performed market research to identify customer needs and that the organization provided clear channels of communication to its customers.

One employee relations, this study concluded that employee involvement had a direct relationship with organizational performance. Employees were involved in decision making within their respective organizations, employees are provided with adequate training and education to perform their tasks, and there were clear communication channel between employees and senior managers listened to employee’s opinions and encouraged team work among employees.

5.4 Recommendations

On top management, this study recommended that in order for an organization to successfully implement quality management system, the top management must create, share and sustain quality management targets and values. The top management must also demonstrate visibly commitment to quality issues since this influences success of the quality management practices. The top management must commit sufficient resources for successful implementation of quality issues.

On strategic planning, this study recommended that Hospitals that exhibit higher levels of strategic planning perform better in both financial and non-financial indicators compared to those exhibiting low levels of strategic planning. TQM is a strategic management tool that can be used for improving the competitiveness, effectiveness and flexibility of the hospitals.
On customer focus, this study recommended that for a successful quality management, customer orientation practices must be embedded within the organization. Successful quality management practice an organization needs to establish a process of understanding current and future needs of its clients, ensure efficient management response to customer complaints and a consistent tracking and measuring of customer satisfaction through surveys.

On employee relation, this study recommended that hospitals in Kenya must enhance employee’s capacity in order to improve provision of service quality. Adequate number of high skilled and experienced employees must be employed continuously, discourage ineffective recruitment, encourage monitoring of doctors and staff, ensure that performance and practice standards are met to enhance service quality provision. This would lead to proper medication services, patient satisfaction, good relationship between medical providers and patients, enable the participation in multi-disciplinary and attracts more patient hence effective improvement of hospital growth.

5.5 Suggestions for Further Studies

Based on the study findings, this study suggests that further studies be carried out on the influence of total quality management on the performance of private hospitals in Kenya.
REFERENCES


APPENDICES

Appendix I: Letter of Authorization

Bethwel Cheruiyot

P.o Box 1547
Eldoret

Dear Sir/Madam,

Re: Research Study

I am an MBA student from Kenyatta University - City Campus, undertaking research on the
A Case of Moi Teaching and Referral Hospital’.

I therefore request to be granted permission to carry out the study in the attached list of selected
departments in your organization.

Yours Faithfully

Bethwel Cheruiyot

MBA Student

Kenyatta University – Main Campus
Appendix II: Questionnaires

This research is meant for academic purpose. Kindly you are requested to provide answers to the questions as honestly and precisely as possible. Responses to these questions will be treated as confidential. Do not write your name or that of your department anywhere on this questionnaire but tick [√] where appropriate or fill in the required information on the spaces provided.

Section A: Demographic Data

1. Gender: Male [ ] Female [ ]

2. Age:
   [ ] Less than 25 Years [ ] 25 – 35 Years
   [ ] 36 – 45 Years [ ] Over 45 Years

3. How long have you worked in this organization?
   Less than 2 years [ ] 2 – 5 years
   6– 10 years [ ] 10 and above [ ]

4. What is your level of education?
   Diploma/College [ ] University Degree [ ]
   MBA/MA [ ] Post-graduate Diploma [ ]

Section B: Top Management and Performance of Public Hospitals

5. The statements below relate to the influence of top management on the performance of public hospitals in Kenya: Supplied also are five options corresponding to these statements:

   Key: Strongly agree(SA)=5, Agree(A)=4, Undecided(U)=3, Disagree(D)=2, and Strongly Disagree(SD)=1.
Support of quality policies by Senior level management
Senior level management is committed to quality
Selection, promotion and appointment of staff by Senior level management to positions is by merit
Senior level management are always willing to provide resources necessary to maintain quality in operations
The commitment of Senior level management is critical for success in total quality management implementation
Institution processes and operations are standardized
Top management creates and sustains clear visions, goals, targets and shared values as concern quality management system

6. Based on your opinion, how does top management influence the performance of public hospitals in Kenya?


Section C: Strategic Planning and Performance of Public Hospitals

7. The statements below relate to the influence of strategic planning on the performance of public hospitals in Kenya: Supplied also are five options corresponding to these statements:

**Key:** Strongly agree(SA)=5, Agree(A)=4, Undecided(U)=3, Disagree(D)=2, and Strongly Disagree(SD)=1.
8. Based on your opinion, how does strategic planning influence the performance of public hospitals in Kenya?

Section D: Customer Focus and Performance of Public Hospitals

9. The statements below relate to the influence of customer focus on the performance of public hospitals in Kenya: Supplied also are five options corresponding to these statements:

**Key**: Strongly agree(SA)=5, Agree(A)=4, Undecided(U)=3, Disagree(D)=2, and Strongly Disagree(SD)=1.

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees are trained on customer focus practices</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attention to customer needs is key to organizational success</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The organization always meets customer needs and expectations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer complaints are given priority by the organization</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The organization performs market research to find out customer needs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customers have clear channels of communication with the organization</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>When the customer succeeds the organization succeeds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees derive satisfaction from fulfilling customer expectation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
10. Based on your opinion, how does customer focus influence the performance of public hospitals in Kenya?

........................................................................................................................................
........................................................................................................................................
........................................................................................................................................

Section E: Employee Relations and Performance of Public Hospitals

11. The statements below relate to the influence of employee relations on the performance of public hospitals in Kenya: Supplied also are five options corresponding to these statements:

Key: Strongly agree(SA)=5, Agree(A)=4, Undecided(U)=3, Disagree(D)=2, and Strongly Disagree(SD)=1.

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees are given chance to participate in decision making</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees are provided with enough training and education to adequately perform their tasks</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>There is a clear communication channel between employee and senior managers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee’s opinions are listened to by senior managers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees are encouraged to work in teams by senior managers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

12. Based on your opinion, how does employee relation influence the performance of public hospitals in Kenya?

........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
Section F: Performance of Public Hospitals

13. The statements below relate to the performance of public hospitals in Kenya: Supplied also are five options corresponding to these statements:

**Key:** Strongly agree (SA)=5, Agree (A)=4, Undecided (U)=3, Disagree (D)=2, and Strongly Disagree (SD)=1.

<table>
<thead>
<tr>
<th>Statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase in customers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operational efficiency</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>