ANALYSIS OF TECHNICAL EFFICIENCY IN HOSPITAL SETTINGS IN KENYA

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A RESEARCH PROPOSAL SUBMITTED TO THE DEPARTMENT OF HEALTH MANAGEMENT AND INFORMATICS IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE AWARD OF THE DEGREE OF MASTERS OF HEALTH MANAGEMENT OF KENYATTA UNIVERSITY.

AUGUST, 2014

DECLARATION

Student's Declaration

This research proposal is my original work and has not, to the best of my knowledge, been presented to any other college, university, and institution or examination body.

Signature ..... Date..22../..08.../ 2014

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Declaration by the Supervisors

This research proposal is submitted with my approval as Kenyatta university supervisor.

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ABSTRACT

The World Health organization called attention to the importance of efficiency in all functions of a health system and in ultimately achieving the goals of health improvement, stewardship, responsiveness and fairness in financing (WHO, 2000). Although, efficiency improvement should be seen as a strategy for mobilizing domestic resources and utilizing the available resources without waste to achieve the desired health sector goals; it is not usually the case especially in low income countries like Kenya. Practically, there is not much consideration to efficiency by health care administrators in contrast to it being mentioned in health policies (Hollingsworth, 2008). Currently, Kenyan health system is under intense pressure to deliver improved health services using proportionately fewer resources. Quantifying the current level of inefficiency in the hospital system helps provide insight into the degree to which these pressures could be met by a more effective use of resources (Kirigia, 2004). The general objective of this study is to analyze the technical efficiency in hospital settings in Kenya. The study will use a mix of analytical and descriptive study design employing econometric techniques for its analysis. Simple random sampling will be used to select a study sample of 30 County referral hospitals from the 47 main County referral hospitals in Kenya for the study. A cross sectional model will be used to analyze secondary data collected using Data Envelopment Analysis (DEA) to determine efficiency levels followed by Tobit regression analysis of environmental variables using STATA version 10 to determine explanatory variables for inefficiencies in the hospitals. The findings of this study will be useful to the policy-makers, county and health facility managers in their effort of designing appropriate policy and managerial interventions for ensuring efficient mobilization and use of health care resources.