Strategy Implementation Practices and Performance of Private Hospitals in Nairobi City County

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Abstract

Purpose: Given the importance of effective strategy implementation, this study therefore sought to assess the influence of strategy implementation practices on performance of private hospitals in Nairobi County. This study was guided by the following specific objectives: to establish the effect of management commitment on performance of private hospitals in Nairobi County; to assess the effect of organizational culture on performance of private hospitals in Nairobi County.

Methodology: The study was guided by Higgin’s 8S’ framework and supported by dynamic capabilities theory. The study used a descriptive survey research design. The unit of analysis was private hospitals in Nairobi County. There are 55 private hospitals in Nairobi County. The unit of observation was top managers in each of the 55 private hospitals in Nairobi County. This study was a census of 55 private hospitals in Nairobi. The study collected primary data using semi-structured questionnaires. The questionnaires were self-administered to the respondents by the researcher. Collected data was analyzed using quantitative techniques. SPSS (version 22) was applied in analyzing quantitative data where descriptive statistics including means, frequencies, percentages and standard deviations were computed. The study also computed inferential data analysis by use of Pearson correlation coefficient and multiple regression analysis. Displaying of the information was done in table and figures.

Findings: The study found that management commitment positively and significantly influences performance of private hospitals; organizational culture positively and significantly influences performance of private hospitals.

Unique contribution to theory, policy, and practice: The study therefore recommends private hospitals to ensure that it is committed fully in all the activities/practices done by the organization. This can be achieved by ensuring it provides its employees with strategic direction and objectives. Also, it is important to ensure there is effective communication at all levels and in all directions. The study recommends private hospitals to ensure they have a favourable culture that facilitates enhanced performance. They have to ensure the environment is supportive, it ensures there is knowledge sharing and that work ethics exist. Also, when implementing strategy, care should be taken to assess the strategy and ensure that culture link compatibility; this is because, if the planned strategy is in line with existing culture, strategy implementation becomes easier.

Key Words: Management commitment, organizational culture, performance.
1.0 INTRODUCTION

1.1 Background of the Study

A strategy is as good as its implementation. This is to say that the success of a strategy is hinged on its implementation. According to Hrebiniak (2016), formulating a consistent strategy is a difficult task for any management team and making that strategy work, implementing it throughout the organization is even more difficult. Bryson (2016) defines strategy as a pattern of purposes, policies, programs, actions, decisions, or resource allocations that define what an organization is, what it does, and why it does it. On the other hand, strategy implementation involves allocation of sufficient resources, assigning responsibilities and managing the process. Olson, Slater, and Hult (2015) argue that strategy formulation and implementation is an ongoing, never ending process that needs continuous evaluation and reformation. Though, most Organizations come up with elaborate strategic plans, the implementation of the same may become a challenge.

Strategy implementation is considered to be the process where an organization changes policies and strategies into actions by designing programs, procedures and budgets. For strategy implementation to be successful, strategy implementation practices are very important. Strategy implementation practices are defined by this study as the critical internal organizational factors that should be taken into consideration and addressed for successful strategy implementation (Dooley, Fryxell & Judge, 2016). They are the factors that determine the extent to which planned strategies will yield desired results in a given organizational context. These practices include management commitment, organizational culture, staff competence, budget process and organization structure (Hunger & Wheelen, 2017).

An organization that practices strategy implementation orientation therefore strives to ensure that these practices are internally taken into consideration by the organization during strategy implementation. Strategy implementation is the key to organizational performance in that organizations should effectively execute various strategies in order to achieve improved performance. Kihara, Kihoro and Bwisa (2016) argue that the process of implementing strategies determines whether an organization will stand out, survive or die and this is dependent on how stakeholders run it.

Organizations seem to have difficulties in implementing their strategies, however, researchers have revealed a number of problems in strategy implementation (Beer & Eisenstat, 2015) which include: weak management roles in implementation, lack of communication, lack of commitment to the strategy, unawareness or misunderstanding of the strategy, unaligned organizational systems and resources, poor coordination and sharing of responsibilities, inadequate capabilities, competing activities, and uncontrollable environmental factors (Aaltonen & Ikavalko, 2017). This study therefore sought to determine how strategy implementation practices affect performance of private hospitals in Nairobi County.

1.2 Statement of the Problem

In today's global competitive environment which is complex, dynamic, and largely unpredictable. A lot of thinking has gone into the issue of how strategies are best implemented so as to deal with the unprecedented level of change in the economy. Therefore, assessing strategy implementation becomes crucial for practitioners and researchers alike with an aim of conducting and evaluating different factors that will ensure successful implementation (Acur &
Englyst, 2016). Strategy implementation is imperative for the success of an organization. Making a strategy work or implementing it throughout the organization is, however, not an obvious process. Several strategies fail not because they are inappropriately formulated but because they are poorly implemented. Essentially, a good strategy is necessary to help in good execution efforts (Mintzberg, Ahlstrand & Lampel, 2015).

However, there has been a major problem in strategy implementation. This problem is illustrated by the unsatisfying low success rate (only 10 to 30 percent) of intended strategies (Elwak, 2016). A study by Schaap (2016) titled Towards Strategy Implementation Success: An Empirical Study of the Role of Senior-Level Leaders in the Nevada Gaming Industry. And a study by Sterling (2003) on Translating Strategy into effective Implementation; Dispelling the Myths and Highlighting what works, Strategy and Leadership a case of MCB UP Company Ltd. identified factors that lead to failure of strategies. These included unanticipated market changes; effective competitor responses to strategy application of insufficient resources; failure of buy in, lack of focus; and bad strategy poorly conceived business models.

Local studies have been done on the factors affecting strategy implementation (Abok, 2016; Warui, Kimemia, Mungara & Asuman, 2015). Ooko (2015) in a case study at Aga Khan University hospital explains that private hospitals in Kenya have attempted to implement strategies noting that there is competitive pressure driven by the desire to control the market and thus maximize profits amongst private hospitals. Nguli (2016) explains that the Mater hospitals employ different strategic management practices depending on the location while Kariuki (2008) conducted a case study at the Karen hospital and identifies organization culture as grounded on openness as a key driver of strategy formulation and implementation. The above findings show that private hospitals in Kenya are fast adopting the strategic approach in managing their core operations significantly noting that private health sector is a key stakeholder in filling the gap in healthcare sector in Kenya.

The demand for quality healthcare from the middle and elite class has occasioned increased competition amongst private hospitals. This trend may be associated with perceived and actual superior quality services offered in private hospitals with related positive employee attitude as opposed to the perceived negative attitude by healthcare providers in public health sector. Few studies have focused on strategies implementation practices in private hospitals in Kenya involving all the private hospitals in Nairobi County. It is apparent that the generic strategies have not been extensively explored across the private healthcare sector. Given the importance of effective strategy implementation, this study sought to fill this knowledge gap by assessing the influence of strategy implementation practices on performance of private hospitals in Nairobi County.

1.3 Specific Objectives

i. To establish the effect of management commitment on performance of private hospitals in Nairobi County.

ii. To assess the effect of organizational culture on performance of private hospitals in Nairobi County.
2.0 LITERATURE REVIEW

2.1 Theoretical Review

2.1.1 The Dynamic Capabilities View

This theory was developed back in the 90s by Teece and was developed based on the ideas provided by Wernerfelt (1984), Rumelt (1987), as cited by Barney (2014). This theory is an improvement of Resource-Based View theory that explains that resources are crucial towards enhanced achievement in any organization. As explained by Barney (2014), development of RBV’s framework was done between the 80s and the 90s after Wernerfelt published his work on RBV of a firm, Barney published sustainable competitive advantage and firm resources and Prahalad and Hamel work on organizations core competence. Nevertheless, the RBV theory did not acknowledge the existence of the fact that businesses operate in a dynamic and stormy environment and not a static one (Priem & Butler, 2001). With the determination to ensure that the RBV theory was applicable in today’s environment, the dynamic capability theory was developed.

Eisenhardt and Martin, (2010), argued that the dynamic capability theory was based on the notion that any organization will do all the best to ensure that their resources are renewed to fit the constantly changing environment. Capability is the potentiality to employ resources to work on tasks and activities, alongside resistance of situations (Teece, 2014). In the context of RBV, resources base are the organizational properties which include physical and human properties while the dynamic capabilities are what is learned and steady behaviour pattern whereby a company develops and also modifies their techniques of getting things done to ensure it is more operational (Eisenhardt & Martin, 2010; Zollo & Winter, 2002).

The focus of dynamic capability is on firm’s ways of building, integrating and reconfiguring specific competencies to creative competencies which matches transformations unfolding with the dynamic environment (Helfat, &, Peteraf, 2007). Those companies that have greater dynamic capabilities will tend to have an added advantage and will tend to perform better than those companies that lack or have smaller dynamic capabilities is the assumption that forms the basis for the dynamic capabilities framework. Its basis is the idea that companies will always try renewing their resources in such a way that it matches the transformations existing in constantly changing environment. Thus, any company that operates in a dynamic environment need to constantly renew, regenerate and reconfigure its specific capabilities, both internal and external, to ensure they maintain their competitiveness (Teece, 2014).

Developing and transferring dynamic capabilities is a challenging and impossible task because of their implicit nature and the fact that they are rooted in distinctive set of relations and antiquities of an organization. In line with RBV, the usual capabilities have to do with executing things rightfully as opposed to dynamic capabilities that are concerned with execution of right things in appropriate time based on unique procedures, the culture of the organization and discerned business environment valuation and technological openings that surrounds a company (Grant, 2001; Teece, 2014). There are some relationships existing between administrative functions and dynamic capabilities in areas of coordination, aspects of transformation, reconfiguration and guided learning. Dynamic capabilities mainly revolve around leadership skills and managerial entrepreneurship of top management of a company and management’s
capacity in scheming, developing, implementing and amending daily routines in an institution (Teece et al., 2007).

Some instances where strong dynamic capabilities are essential to ensure that the organization is able to sense high performance, seize it and transform the organization include; technology, skills, business models, and processes. A company that has strong dynamic capabilities is characterized by dexterity in technology and market, its ability to develop new technology, its differentiation and maintenance of high-quality processes and modification of structures and business models to remain competitive, be at par with the market and when need be shapes and reshapes the market (Teece, 2014). The centre stage in field of strategic management is now occupied by Dynamic capabilities whereby the essential capabilities to sense, seize and transform requires a company to join capacities of stakeholders to merge demanding forms of analysis and experienced application of instinctive procedures with the aim of achieving strategic adaptation (Gerald & Mark, 2011).

This theory on dynamic capabilities helps explain four variables of this study. One of dynamic capabilities is the commitment of the management and as business environment transforms, changes are required in leadership skills and management. With changes in the market environment, strategies also change and this result in constant variation in organization culture. A company’s success in dynamic and multifaceted environment requires adaptability and structural capabilities. Staff competence is a dynamic capability and new capabilities can be generated through training to facilitate acquisition of new skills as well as create an understanding that matches with the constantly changing environment.

2.2.2 Higgins 8-S Strategy Implementation Framework

This framework was developed by Higgins (2005) after his review of McKinsey’s 7-S framework, the focus of this framework is the execution of administration strategies. The development of 7-S strategy implementation framework which was done back in the 80s by Peters and Waterman, (1982). Their study that focused on “best run” firms in America, Peters and Waterman established that there are 7 entwined techniques that should be the main focus of managers during implementation of strategies in organizations. After his review of McKinsey’s 7-S model, Higgins (2005) added another S (Strategic performance) forming 8-S which is derived from the interaction of the 7-S in the original McKinsey’s 7-S’s framework. Higgins noted it is challenging for a company to effectively implement strategies without having to organize other assets like time, money, technology and information, one “S” for skills was replaced by Re-Sources.

According to Higgins, managers’ competent and effective performance is enabled by the 8-S’s framework which allows them to handle obligations across various functions and other undertakings that are linked with implementation of strategies. One perception of the model is that administrators who recognize that implementation of strategies is of great importance as formulation of strategies tend to spend most time in implementation of strategies which helps their organizations attain better performance (Higgins, 2005).

Based on the 8-S’s framework, successful execution of strategies relies on lining up key mechanisms in an organization (8-S’s) with strategies the company intends to implement. Nonetheless, as a result of the dynamic environment and transformations observed in business environment it is important to constantly restructure strategies to be in line with transformations
observed. This calls for constant readjustment of the 8-S’s components to ensure that they match the strategy in focus and this has proved to be the most challenging part for managers as they try to ensure that strategy implementation is successful. Because the components of the 8-S’s are interlinked, it is important for organizations administrators to always ensure that all the eight components orient with the created strategy so as to have successful execution of a strategy and enhance performance (Higgins, 2005).

The 8-S’s are strategy and purpose, structure, systems and processes, style, staff, resources, shared values, and strategic performance. According to Higgin’s model of 8-S’s, development of an organizational strategy is done with the focus of attaining a certain purpose. Consequently, any change made in the organizational purpose as explained in mission, vision, objectives and goals of an organization will require changes to be made in policies to ensure that the new purpose is accomplished. Organization structure according to the 8-S model comprises of 5-essentials; the job, authority line responsible for job performance, job groupings in an order allowing objective achievement, coordination technique used by managers in effective supervision of jobs and the span of control showing size of subordinates that can be under effective supervision of a manager. Success in a particular organization is informed by how well the organization is planned in relation to its business strategy.

System and processes according to the 8-S model are policies and procedures both formal and informal that are used by organizations to make sure that set objectives are achieved. The said policies and procedures make sure that there is successful execution of daily operations. Higgins (2005) explained that the application of these procedures is in different areas such as allocation of resources, HRM, planning, budgeting, quality control, technology and such other key organizational areas. Style in the 8-S’s model is mode of leadership that leaders show when they relate with organization’s stakeholders and employees. Style is concerned with how leaders treat their employees and other staff as they try to execute roles deigned for realization of organizations objectives (Higgins, 2005).

In this framework (8-S), staff are considered as an important manpower that assists a company in achieving its strategic purpose; this is because it defines the population required, their skills, background, character traits and aptitude. Furthermore, it focuses on areas relating with teaching of staff, development of career, employee promotion and payment (Higgins, 2005). Successful implementation of strategies by an organization requires adequate resources. It is significant for managers to make sure that the company can get full access to important resources like money, manpower, material, technology as well as other styles of management in the process of strategy implementation. (Higgins, 2005). The culture that an organization creates to ensure it successfully attains its strategic purpose relates with common values (Higgins, 2005). The values are commonly held and shared by organization’s members (Higgins, 2005).

According to Higgin 8-S model, there is an interlink of strategy implementation components which is also supported by the general systems theory discussed in this study. The model clearly shows the need to have constant realignment of organizations strategies to match the changes in the environment in order to ensure that strategies are workable and at the same time assist managers in detecting issues in the system and avoid any failures during the implementation of the said strategies (Higgins, 2005). This model of 8-S is important in this study because it explains almost all study variables. It underpins organization structure, staff, culture as the shared values, budget processes as well as management commitment as style. The framework
goes a step further than mc-Kinsey’s 7 s’ model because it explains the way all the eight variables are closely interlinked. This model concurs with the systems theory which explains that system’s main objectives are attained when there is regular relationship between components allowing them to work together.

2.2 Conceptual Framework

![Conceptual Framework Diagram](image)

### 2.2.1 Management Commitment

Successful strategy formulation and execution requires the commitment of managers and employees on all levels of the organization. Management Commitment is a form of attitude presenting interest levels and dependency and loyalty of personnel toward organization and their tendency toward staying in organization (Khan, Farooq & Ullah, 2016). Explicit management support of the strategy is crucial because management provides leadership and rewards to organizational members and serve as a role model for them. It is the responsibility of the management to motivate people to use their abilities and skills most effectively and efficiently to attain organizational objectives.

Pearce and Robinson (2018) hold that a leader should ensure that there is common understanding among organization members about the organization’s priorities and clear clarification of responsibilities among managers and different units. This can only be possible if they gain personal commitment from managers and employees to pursue a shared vision. Leaders should also empower managers and other employees to enable task accomplishment and reward those who attain the strategic objectives.

When management is not committed to a strategy, they will not be motivated to make the execution a success (Aatoken & Ikavalko, 2016). Managers may even delay or sabotage an implementation effort when they are not committed it. As management serves as an example for the rest of the organization, a lack of managerial commitment will result in a lack of commitment by lower-level organizational members (Mackenzie, Wilson & Kider, 2017). If management really believes in the strategy and its execution then they can make their employees believe or they can replace those who do not believe in the strategy.
2.2.2 Organizational Culture

Organization culture has been cited as a major strategy implementation imperative that affects successful strategy implementation (Aldehayyat & Anchor, 2018; David, 2016; Hunger & Wheelen, 2017). According to Li et al (2018), culture is the dominant ideologies, traditions, values and standards that define an organization. This study adopts the definition of Moorhead and Griffin (2015) that it is the set of values that helps the organization’s employees understand which actions are considered acceptable or unacceptable. It is measured in terms of supporting culture, favourable culture, sharing knowledge and working ethics.

Organization culture will often resist changes since it seeks to preserve stable relationships and patterns of behavior. As a result, when implementing strategy, care should be taken to assess the strategy – culture link compatibility. Culture as a strategy implementation imperative should follow strategy unless strategy is in line with the existing culture. If the planned strategy is in line with existing culture, strategy implementation becomes easier (Siciliano & Hess, 2019; Moorhead & Griffin, 2015). However, if it is incompatible with the new strategy, culture-changing activities will have to be undertaken. These include training and development, hiring of new managers who are compatible with the new strategy and instituting minor structural modifications among others (Pearce & Robinson, 2018).

According to Hunger and Wheelen (2017) communication can be used to manage organization culture during strategy implementation. This can be through speeches, newsletters, encouraging dissemination of stories and legends about core values and institutionalizing practices that systematically reinforces desired beliefs and values. Culture can also be reinforced through aligning it with formal and informal recognition, monetary rewards or other incentives (Ikavalko & Aaltonen, 2017; Nelson & Quick, 2019).

2.2.3 Performance

The objective of private hospital is to realize and keep up high performance which leads to organization’s growth and progress (Malina & Selto, 2015). According to Artley and Stroh (2017) performance measures are tools that help us to understand, manage and improve what organizations do. Measurement of organizational performance is done to ensure employees are meeting objectives, staff are motivated, budget priorities are determined, comparison is done in relation to competitors’ activities, individual and organizational objectives are aligned and plans for performance improvement are formulated among others (Behn, 2015).

Atkinson, Waterhouse, and Wells (2017) explained that measurement of performance should aid an organization in understanding and assessing worth received from employees and suppliers, value from stakeholders, how efficient procedures in an organization are, and strategic assets of an organization. Based on the above-mentioned issues, it can be said that measurement of performance plays the role of diagnostic, monitoring and coordination. Thus, there should be well placed goals, strategies and performance variables.

As stated by Richard, Johnson, Yip and Devinney (2018), there are three main areas that together explains performance of an organization, they are financial performance which includes measures like ROA, ROE, and profitability; product market performance which is inclusive of sales volume and market share; and shareholder return which is inclusive of value-added economy and return on shareholders. Employee fulfilment, projects conclusion, cost reduction and revenue collection will be important measures of performance in the framework.
of the private hospitals in Nairobi County. Variations in industry performance can be as a result of attributes of an organization; this study therefore emphasizes on strategic implementation requirements (Barnett & McKendrick, 2018).

Organizational specificity in performance is paramount in order for performance to be measured effectively, since the planned organizational choices decree the measures of performance that will reproduce latent performance construct. According to Levenson, Van der Stede and Cohen (2016) measures used within and techniques of its implementation for instance, the company’s key performance indicators (KPIs), affects the association between implementation and performance. Therefore, the system for internal measurement applied will affect performance at both individuals and organization’s levels. Majority of the organizations use financial variables to measure organizational performance.

Organizational objectives differ from one organization to another. Financial objectives may play a central role in a business organization (Cronje & Vermaak, 2016; Afzal, Khan & Ali, 2019), including private hospitals (Obong’o, 2019), hence the use of financial and non-financial measures to assess performance of private hospitals. Non-financial indicators of performance will include: level of automation, cost reduction, employee satisfaction, and project completion. Performance can either be positive or negative.

2.3 Empirical Review

Andrew (2017) studied ways commitment of employees affects the performance of an organization. Employee commitment was measured with regard to affective, normative and continuous commitment. Quantitative technique was used to conduct the research. Employees at the Divisional Secretariat in Sri Lanka constituted the study population. The basis of data analysis was descriptive and inferential statistics that encompassed correlation and regression analysis. According to the results, employees’ commitment is significantly linked to performance of an organization. This study was done based on effects employee commitment has on organizational performance. The present research nonetheless puts into consideration precisely the commitment of organizational managers and how they impact organizational performance in private hospitals in Nairobi County.

Babakus, Yavas, and Karatepe, et al. (2016) researched on the effect of management commitment to service quality on employees’ affective and performance outcomes. A service recovery performance model is proposed and tested with data from frontline bank employees in Turkey. The empirical results suggest that top management commitment to service quality, as manifested by frontline employees’ appraisal of training, empowerment, and rewards, has a significant effect on their perceptions of service recovery performance. This study was an empirical review and therefore an in-depth study needs to be done; this study will be a descriptive survey study. Despite the study focusing on management commitment, it failed to show its influence on organizational performance while focusing mainly on it as a measure of strategy implementation imperative. The study was conducted among employees of the bank while this study will be conducted among private hospitals in Nairobi County.

Samad, Abdullah and Ahmed (2016) found out that various proofs indicate that the culture of an organizational has a weighty effect on the performance of an organization. They demonstrated that the norms of an organization are a significant contributor to the motivation and behaviour of employees as well as financial performance of the organization. They sought
to analyse the effect of organizational culture on the performance of an organization amongst managers of government owned logistics companies in Malaysia. Organizational performance was assessed on the basis of both monetary and non-monetary mechanisms. Organizational culture was measured using contribution, constancy, adaptability and mission. The results showed that four constituents of organizational culture i.e., involvement, consistency, adaptation and mission are essential in improving performance of an organization. The present research will scrutinize culture based on; supportive environment, favourable culture, sharing knowledge and working ethics.

Agwu (2018) researched on organizational culture and the performance of employees in the Nigerian National Agency for Food and Drugs Administration and Control. The study precisely sought to discover the extent of the relationship between organizational culture and increase in employees’ commitment/productivity. Descriptive research design was used. Data was collected from employees in National Agency for Food and Drugs Administration and Control. It was postulated that improvement in employees’ performance will be achieved through positive organizational culture. Findings of this study indicated a significant correlation between organizational culture and growth in commitment/productivity of employees. The study investigated culture and its influence on employee performance, the present study scrutinizes the influence of organizational culture on the general organizational performance. There is contextual gap that the study seeks to fill by conducting the study in Kenya. This study was conducted in National Agency for Food and Drugs Administration and Control, present study will be conducted in private hospitals.

Aunga and Kaitwa (2018) did a study the role of organizational culture on organisations’ performance: a case of Gepf-Retirement Benefits Fund in Dar Es Salaam Region, Tanzania. The study was a case study. Data was collected using questionnaires and analysed using descriptive statistics. The findings indicated that organizational culture had moderate significant association with performance of an organization. The study used Pearson product moment correlation coefficient for hypothesis testing in a case study which is able to only scrutinize the power and course of the relationship and it is not suitable for hypothesis testing, the study stands to be improved using multiple regression which includes ANOVA as the statistical tools of analysis. This study was a case study; present study will use descriptive survey.

Nyabuti, Chepkilot and Zakayo (2017) researched on the influence of organizational culture on the employee performance in the civil service in Kenya. They postulate that the overall performance of an organization would be heightened by an affirmative organizational culture in addition to a constant system of motivation. They focused on 7 ministries. According to the study findings, a statistically significant correlation between organizational culture and the performance of employees in the civil service in Kenya exists. Regardless of considering impact culture has on performance in this study, they looked at individual performance in the organization rather than the overall performance of an organization, which is the attention of this study. The structure of the ministry is different from that of hospitals and therefore the findings cannot be generalized.

Misigo and Moronge (2017) researched on the influence of organizational culture on employee performance in Kenya’s civil service: a case of the ministry of water and irrigation. Their study sought to examine the impact of organizational culture on performance of employees in the Kenyan civil service. Organizational culture, according to these authors, has been extensively
recognized by managers, academicians and even organizations management to be an important instrument affecting organizational performance. In this study, organizational culture was investigated in four parts that comprise; organizational values, communication, reward systems and mission whereas employee performance was investigated based on motivation and commitment. A descriptive research design was used and the study focused on the water department in the government. Descriptive statistics was used for data analysis. The study focused on the influence of organizational culture on employee performance and failed to show its influence on organizational performance. This study will conduct statistical tests on top of descriptive statistics, and therefore deal with the inadequacy of this study. The study will be conducted in the private sector.

3.0 RESEARCH METHODOLOGY

For this study, the study used a descriptive survey research design. Descriptive survey design enables the researcher to summarize and organize data in an effective way (Kireru, 2018). It provides tools for describing collections of statistical observations and reducing information to an understandable form. The unit of analysis was the private hospitals in Nairobi County. There are 55 private hospitals in Nairobi County (Kenyapharnotech, 2020). As defined by Cooper and Schindler (2018), the unit of observation is the single participant or the item upon which observation and measurement is drawn. Therefore, the unit of observation was top managers in each of the 55 private hospitals in Nairobi County.

The sample for this study was drawn using the census method. Census method is the statistical enumeration where all members of the population are studied. Therefore, this study was a census of 55 managers from private hospitals in Nairobi. The study collected primary data using semi-structured questionnaires. Specifically, respondents were targeted to provide information needed for the study. Babbie (2019) explained that questionnaires are most desirable data collection tools because they are simple to administer and scoring and also data analysis. Additional information on performance of private hospitals was collected from credible published reports for each hospital. This annual report found in hospital’s website.

In data analysis, accumulated data is reduced to a manageable size, summary is developed, patterns are searched and statistical techniques are applied. Collected data was analyzed using quantitative techniques. SPSS (version 22) was applied in analysing quantitative data where descriptive statistics were computed and presentations done in percentages, means, SD and frequencies. Displaying of the information was done in table and figures. To facilitate this, responses were tallied, percentages of variations computed and data described and interpreted in line with study’s objectives and assumptions. Pearson R correlation was used to measure strength and the direction of linear relationship between variables. Multiple regression models were fitted to the data in order to test the influence of the independent variables on the dependent variable. The study adopted multiple regression models at 5% level of significance to establish the strength and direction of the relationship between the independent variables.
4.0 RESEARCH FINDINGS

4.1 Descriptive Statistics

4.1.1 Management Commitment

Respondents were asked to indicate their level of agreement on the following statements about management commitment in their organization. Table 1 presents the findings obtained.

Table 1: Descriptive Statistics for Management Commitment

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Std. Dev.</th>
</tr>
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<tbody>
<tr>
<td>Management in this hospital is committed in formulating and establishing</td>
<td>3.982</td>
<td>1.37</td>
</tr>
<tr>
<td>quality policies and objectives.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The management creates goals, communicates them and sets in motion the</td>
<td>3.948</td>
<td>1.263</td>
</tr>
<tr>
<td>actions needed for achievement of the same</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The executives in the hospital gives energy and loyalty to the</td>
<td>3.889</td>
<td>1.381</td>
</tr>
<tr>
<td>implementation process towards attaining the hospital’s vision</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The management regularly holds meetings to plan how to perform duties</td>
<td>3.863</td>
<td>1.326</td>
</tr>
<tr>
<td>and seek views from employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management commitment has influenced employees to perform better leading</td>
<td>3.836</td>
<td>1.22</td>
</tr>
<tr>
<td>to attainment of the county goals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The management has clearly defined the statement mission of the hospital</td>
<td>3.777</td>
<td>1.275</td>
</tr>
<tr>
<td>The management supports creative decision making in strategy</td>
<td>3.738</td>
<td>1.32</td>
</tr>
<tr>
<td>implementation process</td>
<td></td>
<td></td>
</tr>
<tr>
<td>There is adequate supervision of subordinates by the executives</td>
<td>3.698</td>
<td>1.331</td>
</tr>
</tbody>
</table>

The findings show that on average, the respondents agreed with the statements on the influence of management commitment on their organization as shown by mean values above 3.5 and standard deviations below 2. Specifically, the findings show that the respondents agreed that management in this hospital is committed in formulating and establishing quality policies and objectives (M=3.982, SD=1.37); the management creates goals, communicates them and sets in motion the actions needed for achievement of the same (M=3.948, SD=1.263); and that the executives in the hospital gives energy and loyalty to the implementation process towards attaining the hospital’s vision (M=3.889, SD=1.381).

Respondents also agreed that the management regularly holds meetings to plan how to perform duties and seek views from employees (M=3.863, SD=1.326); management commitment has influenced employees to perform better leading to attainment of the county goals (M=3.836, SD=1.22); the management has clearly defined the statement mission of the hospital (M=3.777, SD=1.275). In addition, they agreed that the management supports creative decision making in strategy implementation process (M=3.738, SD=1.32); and that there is adequate supervision of subordinates by the executives (M=3.698, SD=1.331).

The study findings concur with Khan, Farooq and Ullah (2016) that explicit management support of the strategy is crucial because management provides leadership and rewards to organizational members and serve as a role model for them. It is the responsibility of the management to motivate people to use their abilities and skills most effectively and efficiently to attain organizational objectives. Also, it agrees with Mackenzie, Wilson and Kider (2017)
that since the management serves as an example for the rest of the organization, a lack of managerial commitment will result in a lack of commitment by lower-level organizational members.

4.1.2 Organizational Culture

Respondents were asked to indicate their level of agreement on the following statements about organizational culture in their organization. Table 2 presents the findings obtained.

Table 2: Descriptive Statistics on Organizational Culture

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>The hospital has created the right corporate environment and conditions for sharing knowledge and for healthy interaction between people, technologies and techniques and the values, rules and procedures are inculcated in new employees.</td>
<td>3.994</td>
<td>1.476</td>
</tr>
<tr>
<td>The hospital has a supportive environment for positive growth in employees thinking, feelings, actions and behaviour</td>
<td>3.961</td>
<td>1.476</td>
</tr>
<tr>
<td>The hospital upholds professional ethics and core values that guides work ethics</td>
<td>3.955</td>
<td>1.546</td>
</tr>
<tr>
<td>The hospital has certain pattern of values, beliefs, assumptions, rules and procedures of how things are normally done and this guides the behaviour and performance of set duties and responsibilities</td>
<td>3.915</td>
<td>1.343</td>
</tr>
<tr>
<td>The hospital has a favourable culture that does not conflict with people’s main value system at the family structure, educational, structure, religious organization, settlement patterns and associations</td>
<td>3.856</td>
<td>1.525</td>
</tr>
<tr>
<td>The culture upheld by the hospital has enabled employees to perform their duties effectively</td>
<td>3.836</td>
<td>1.426</td>
</tr>
</tbody>
</table>

From the findings in Table 2, the respondents agreed with the statements on organizational culture as indicated by mean values above 3.5 and standard deviations below 2. The findings specifically show that the respondents agreed that the hospital has created the right corporate environment and conditions for sharing knowledge and for healthy interaction between people, technologies and techniques and the values, rules and procedures are inculcated in new employees (M=3.994, SD=1.476) and that the hospital has a supportive environment for positive growth in employees thinking, feelings, actions and behaviour (M=3.961, SD=1.476).

Respondents also agreed that the hospital upholds professional ethics and core values that guides work ethics (M=3.955, SD=1.546); and the hospital has certain pattern of values, beliefs, assumptions, rules and procedures of how things are normally done and this guides the behaviour and performance of set duties and responsibilities (M=3.915, SD=1.343). In addition, they agreed that the hospital has a favourable culture that does not conflict with people’s main value system at the family structure, educational, structure, religious organization, settlement patterns and associations (M=3.856, SD=1.525); and that the culture upheld by the hospital has enabled employees to perform their duties effectively (M=3.836, SD=1.426).

The study findings agree with Samad, Abdullah and Ahmed (2016) who found out various proofs indicating that the culture of an organizational has a weighty effect on the performance
of an organization. They demonstrated that the norms of an organization are a significant contributor to the motivation and behaviour of employees as well as financial performance of the organization. It also concurs with Siciliano and Hess (2019) that if the planned strategy is in line with existing culture, strategy implementation becomes easier. However, if it is incompatible with the new strategy, culture-changing activities will have to be undertaken.

4.1.3 Performance of Private Hospitals

Respondents indicated their level of agreement on the following statements about performance of their organization. Table 3 presents the findings obtained.

Table 3: Descriptive Statistics on Performance of Private Hospitals

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>The hospital’s projects completed are relevant and serve the purpose for which they were initiated</td>
<td>4.021</td>
<td>1.265</td>
</tr>
<tr>
<td>There are minimal complaints from the patients concerning the hospital’s services</td>
<td>3.988</td>
<td>1.182</td>
</tr>
<tr>
<td>The hospital has been able to effectively deliver services to its clients</td>
<td>3.902</td>
<td>1.235</td>
</tr>
<tr>
<td>Training opportunities that are open to all staff members</td>
<td>3.902</td>
<td>1.235</td>
</tr>
<tr>
<td>Cost reduction measures have led to improvement in the hospital’s performance</td>
<td>3.896</td>
<td>1.21</td>
</tr>
<tr>
<td>The hospital has accelerated IT infrastructure consolidation such as data centres, networks and emails in order to reduce costs</td>
<td>3.836</td>
<td>1.313</td>
</tr>
<tr>
<td>Employees receive support and guidance from their supervisor</td>
<td>3.836</td>
<td>1.313</td>
</tr>
<tr>
<td>The hospital allows the public to access information on its performance</td>
<td>3.81</td>
<td>1.142</td>
</tr>
<tr>
<td>The hospital has efficient procurement savings</td>
<td>3.803</td>
<td>1.248</td>
</tr>
<tr>
<td>The hospital has been able to provide timely services to its clients</td>
<td>3.738</td>
<td>1.168</td>
</tr>
</tbody>
</table>

As shown in Table 3, the mean values were above 3.5 an indication that the respondent agreed with the statements on performance of their organization. Also, the standard deviation values were below 2 suggesting that the responses did not deviate significantly from the mean value. The findings specifically show that the respondents agreed that the hospital’s projects completed are relevant and serve the purpose for which they were initiated (M=4.021, SD=1.265); there are minimal complaints from the patients concerning the hospital’s services (M=3.988, SD=1.182); and that the hospital has been able to effectively deliver services to its clients (M=3.902, SD=1.235).

The findings also show that the respondents agreed that training opportunities that are open to all staff members (M=3.902, SD=1.235); cost reduction measures have led to improvement in the hospital’s performance (M=3.896, SD=1.21); and that the hospital has accelerated IT infrastructure consolidation such as data centres, networks and emails in order to reduce costs (M=3.836, SD=1.313). In addition, they agreed that employees receive support and guidance from their supervisor (M=3.836, SD=1.313); that the hospital allows the public to access information on its performance (M=3.81, SD=1.142). Furthermore, they were in agreement that the hospital has efficient procurement savings (M=3.803, SD=1.248); and that the hospital has been able to provide timely services to its clients (M=3.738, SD=1.168).

These findings concur with Onserio (2018) on the existence of a significant influence of strategic resource allocation, monitoring and control of strategies, strategic leadership and strategic communication on the performance. Also, Behn (2015) explained that organizational
performance is done to ensure employees are meeting objectives, staff are motivated, budget priorities are determined, comparison is done in relation to competitors’ activities, individual and organizational objectives are aligned and plans for performance improvement are formulated among others.

4.2 Inferential Statistics

4.2.1 Correlation Analysis

Table 4: Correlations

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Performance</th>
<th>Management commitment</th>
<th>Organizational Culture</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>Pearson correlation</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Management commitment</td>
<td>Pearson correlation</td>
<td>.784**</td>
<td>1</td>
</tr>
<tr>
<td>Organizational Culture</td>
<td>Pearson correlation</td>
<td>.850**</td>
<td>.209</td>
</tr>
</tbody>
</table>

From the findings in Table 4, management commitment is seen to have a strong positive relationship with performance of private hospitals (r=0.784, p=0.003). Since the p-value (0.003) is less than the selected level of significance (0.05), the relationship is considered to be significant. Organization culture is also seen to have a strong positive relationship with performance of private hospitals in Nairobi County (r=0.850). The relationship between the two variables was significant since the p-value obtained (0.000) was less than the selected level of significance (0.05). These findings therefore suggest that the dependent (performance of private hospitals in Nairobi County) has significant relationship with the independent variables (management commitment, organizational culture). To further understand the relationship between these variables, the study computed regression analysis.

4.2.2 Multiple Regression Analysis

Table 5: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.857a</td>
<td>.734</td>
<td>.716</td>
<td>.28104</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), management commitment, organizational culture, staff competence, budget process

From the findings presented in Table 5, the value of the adjusted R square is 0.716. This suggests that 71.6% variation in performance of private hospitals in Nairobi County can be explained by changes in management commitment, organizational culture, staff competence and budget process. The remaining 28.4% suggests that there are other factors can be used to explain variation in performance of private hospitals that were not discussed in this study. The findings
also show that the independent variables (management commitment, organizational culture, staff competence and budget process) and the dependent variable (performance of private hospitals in Nairobi County) are strongly and positively related as indicated by correlation coefficient value (R) of 0.857. The findings concur with Sial et al., (2016) that implementation of strategies is an important process that necessitates proper functioning in organizations and continuous existence of the organization even in dynamic environment.

4.2.3 Analysis of Variance

Analysis of variance is used to determine the significance of the model developed. In this study, the significance of the model was tested at 5% level of significance.

Table 6: 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>5.164</td>
<td>4</td>
<td>1.291</td>
<td>16.344</td>
<td>.000b</td>
</tr>
<tr>
<td>1 Residual</td>
<td>3.634</td>
<td>46</td>
<td>0.079</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>8.798</td>
<td>50</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Performance  
b. Predictors: (Constant), management commitment, organizational culture, staff competence, budget process

From the findings in Table 6, the significance of the model was 0.000 which is less than the selected level of significance 0.05. This, therefore, suggests that the model was significant. The findings further show that the F-calculated value (16.344) was greater than the F-critical value (F4,46=2.574) (Note: F-critical value is obtained from the F-distribution tables); this suggests that the variables, management commitment, organizational culture, staff competence and budget process can be used to predict performance of private hospitals in Nairobi County. The findings concur with Dooley, Fryxell and Judge (2016) that strategy implementation practices are critical internal organizational factors that should be taken into consideration and addressed for successful strategy implementation. They determine the extent to which planned strategies will yield desired results in a given organizational context.

4.2.4 Beta Coefficients of the Study Variables

Table 7: 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>β</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>.937</td>
<td>.421</td>
<td>2.225</td>
<td>.027</td>
</tr>
<tr>
<td>1 Management Commitment</td>
<td>.160</td>
<td>.066</td>
<td>.141</td>
<td>2.432</td>
</tr>
<tr>
<td>Organizational Culture</td>
<td>.196</td>
<td>.063</td>
<td>.181</td>
<td>3.094</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Performance

From the findings presented in Table 7, the following regression equation was fitted;  
\[ Y = 0.937 + 0.160X_1 + 0.196X_2 \]
From the equation above, it can be seen that when all the other variables are held to a constant zero, performance of private hospitals in Nairobi County is at a constant value of 0.937.

This finding also shows that management commitment has a significant influence on performance of private hospitals (p=0.016). The findings further showed that management commitment have a positive (β=0.160) influence on performance of private hospitals. These findings suggest that management commitment positively and significantly influence performance of private hospitals. Therefore, a unit increase in management commitment will result in an increase in performance of private hospitals in Nairobi County by 0.160 units. The study findings agree with Muthondu and Gakobo (2018) that leadership commitment positively and significantly affected employee performance in county governments of Kenya.

Organizational culture was also seen to have a significant influence on performance of private hospitals (β=0.196, p=0.002). The findings further showed that organizational culture has a positive influence on performance of private hospitals. These findings suggest that organizational culture positively and significantly influence performance of private hospitals. Therefore, a unit increase in organizational culture will result in an increase in performance of private hospitals in Nairobi County by 0.196 units. The study findings concur with Samad, Abdullah and Ahmed (2016) that the four constituents of organizational culture i.e., involvement, consistency, adaptation and mission are essential in improving performance of an organization.

5.0 SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary of the findings

The findings indicate that when all the other variables are held to a constant zero, performance of private hospitals in Nairobi County is at a constant value of 0.937. This finding also shows that management commitment has a significant influence on performance of private hospitals (p=0.016). The findings further showed that management commitment have a positive (β=0.160) influence on performance of private hospitals. This implies that management commitment positively and significantly influences performance of private hospitals. Therefore, a unit increase in management commitment will result in an increase in performance of private hospitals in Nairobi County by 0.160 units. Organizational culture was also seen to have a significant influence on performance of private hospitals (β=0.196, p=0.002). The findings further showed that organizational culture has a positive influence on performance of private hospitals. This implies that organizational culture positively and significantly influences performance of private hospitals. Therefore, a unit increase in organizational culture will result in an increase in performance of private hospitals in Nairobi County by 0.196 units.

5.2 Conclusions

The first objective of the study was to establish the effect of management commitment on performance of private hospitals in Nairobi County. The study found that management commitment has a significant influence on performance of private hospitals. The findings further showed that management commitment have a positive influence on performance of private hospitals. These findings suggested that management commitment positively and significantly influence performance of private hospitals. Based on the findings, the study
concludes that a unit increase in management commitment will result in an increase in performance of private hospitals in Nairobi County.

The second objective of the study was to assess the effect of organizational culture on performance of private hospitals in Nairobi County. The study found that organizational culture had a significant influence on performance of private hospitals. The study further found that organizational culture has a positive influence on performance of private hospitals. These findings suggested that organizational culture positively and significantly influence performance of private hospitals. Based on these findings, the study concludes that a unit increase in organizational culture will result in an increase in performance of private hospitals in Nairobi County.

5.3 Recommendations
Management commitment was found to positively influence performance of private hospitals. The study therefore recommends private hospitals to ensure that it is committed fully in all the activities/practices done by the organization. This can be achieved by ensuring it provides its employees with strategic direction and objectives. Also, it is important to ensure there is effective communication at all levels and in all directions. Organization culture was found to have positive influence on performance. The study recommends private hospitals to ensure they have a favourable culture that facilitates enhanced performance. They have to ensure the environment is supportive, it ensures there is knowledge sharing and that work ethics exist. Also, when implementing strategy, care should be taken to assess the strategy and ensure that culture link compatibility; this is because, if the planned strategy is in line with existing culture, strategy implementation becomes easier.

5.3 Suggestions for Further Studies
The general objective of the study was to assess the influence of strategy implementation practices on performance of private hospitals in Nairobi County. The study was limited to Nairobi County; future studies should focus on other counties to provide comprehensive findings. The sample size of 55 was small; therefore, study recommends replication of the study using a larger sample size to provide a clear picture on the influence of strategy implementation practices on performance. The study was limited to private hospitals; therefore, future studies should focus on public hospitals to facilitate comparison of the research findings.

REFERENCES


Dooley, R.S., Fryxell, G. and Judge, W.Q. (2016) Belaboring the not so obvious: Consensus,commitment and strategy implementation speed and Success; Journal of Management 26(6).


