

EFFECT OF STRATEGIC PLANNING ON PUBLIC HEALTH INSTITUTIONS' PERFORMANCE IN TRANS-NZIOIA COUNTY, KENYA

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Abstract: Public health institutions in Trans Nzoia County were at the forefront of collaborating with the Ministry of Health (MOH) to implement crucial reforms aimed at ensuring quality service delivery and better performance. However, according to the Ministry of Health, public health institutions in Trans Nzoia County continued to face challenges such as funding by the National and County Governments, remuneration and welfare of healthcare workers, and the availability of adequately skilled manpower, all of which hindered service delivery. This concern motivated numerous scholars in strategic management to explore the topic, thereby identifying a research gap. The study primarily aimed to examine how the strategic planning in Trans Nzoia County affected the performance of public health institutions. Primary data was collected from the 87 public health institutions within Trans Nzoia County for the 2019-2023 period. The data was analyzed using SPSS Version 22 software. A descriptive research design was adopted, with stratified sampling as the technique. Findings were presented in tables. This study's results showed that strategic planning positively relates to hospital performance but were not significant at the 95% confidence level. The study recommendation is that an organization's management should be able to align its goals and objectives with the implementation strategy and communicate the strategies to staff for a sense of belonging and motivation.

Keywords: Strategic Planning, Performance.

1. INTRODUCTION

Public health establishments with structured policies are an embodiment of quality health care provision that often translates to good quality of life and existence of a state or nation. According to Matyushenko et al. (2020), the health sector where the right decisions are made by its management ensures that the working population is healthy and there is increased quality of labor services which streams to the productivity of a nation therefore improving the economy through increase in the Gross Domestic Product (GDP). McKee et al. (2013) concluded that strategic management within the domain of healthcare improves the system's stability and accessibility to its citizens.

Strategic management practices are ideal for organizations because they give them a competitive edge to their competitors in the same industry. Tusiime et al. (2015) argued that Strategic management entails crafting, effecting, and assessing cross-functional conclusions that directs the organization towards its performance, goals and objectives. Adetewubo- King and Adetayo (2018) noted that these practices encompasses diverse organizational activities, including planning, formulating, implementing, and evaluating strategies, all aligned with the mission and vision to maximize growth and expansion.

Bryce (2017) opined that strategic management practices are; control, having a plan, executing the plan and evaluation. Strategic planning is the process in which firms actualize their ideas into fruition (Aboramadan & Borgonovi, 2016). According to Ahearne et al. (2014), strategic planning is the process of visioning goals and their direction and allotting resources to pursue the goals and objectives. Strategy formulation is the process whereby the company develops long-term goals effectively to manage available threats as well as opportunities in consideration of the weaknesses and the strengths (Bradley et al. 2017). Al Khajeh (2018) was of the view that Strategy implementation is the process in which the laid-out ideas and plans are put into action through short-term goals derived from the organization's long-term ideas. According to Engert et al. (2016), strategy evaluation and control entails checking the actual performance with the results expected by the organization to ensure that it aligns within its strategic goals. Performance of an organization is generation of value to the stakeholders of the organization (Trigeorsis & Reuer, 2017).

Conferring to the work of Farouk et al. (2016), it is the measure of the achieved results in comparison with the set goals and objectives. Performance of public health institutions is the measure of costs incurred, financing, development and asset procurement, bed occupancy and the rate of mortality (Mousa & Othman, 2020). According to Berberoghu (2018), health care institutions need to give management ideas to survive harsh internal and external setbacks, by raising substantial discussions and issuing important independent directions within the organization. Moreover, Mutole (2019) noted that organizations without strategic management practices in place are short lived because they face financial challenges due to lack of projected plan on how to handle funding uncertainties.

Globally, strategic management practices play a vital role in major utility areas such the health sector. Mikhno et al. (2020) probed into the health care development of Ukraine's national medical services market formation's strategic management practices. According to them, strategic healthcare management should monitor the effectiveness of implementing change and flexible reforms and exercise control over them. Alomran (2019) evaluated the implementation of strategy management practices in Saudi Arabia's health sector and established that strategic practice implementation would improve the sector. Khan and Huda (2016) observed that there existed a strong positive relation between strategic management practices and performance of health care organizations in Karachi, Pakistan.

United Nations Industrial Development Organization (2010) noted that public health institutions experienced drawbacks of implementing changes due to lack of relevant mechanisms. Less developed countries experience a deficit of skilled health workers in public institutions because professionals seek better pay, favorable work environments, and career opportunities in developed countries (Ibrahim, 2014). Regionally, various studies have demonstrated the efforts made to ensure public health institutions put in place policies to ensure there is improved performance. Nnia et al. (2023) examined the teaching hospitals in Nigeria and determined that strategic practices by management of the teaching hospital positively affected the performance of the facility. Nkemchor and Ezeanolue (2021); Mohamed and Mohamud (2021) observed that there was a positive impact of organizational performance in relation to the strategic management practices in place.

Strategic implementation and planning for state owned institutions is a key requirement in Kenya. Nyamboga and Gongera (2014) noted that the drive to improve strategy within the institutions is aimed at actualizing the vision 2030 by transforming the country into a medium sized economy. Therefore, each organization is expected to put in place, via their management, a strict execution system and evaluate decisions made to avoid failure due to incompetence. Drastic changes in the Kenya health sector started in 2013, when the health care system was devolved under the new constitution by shifting health care provision to the counties from the state government.

Kenya's Ministry of Health is dovetailed into accountability and headquartered by the Cabinet. It is responsible for all public hospitals to provide proper healthcare services to Kenyans. The Ministry of Health classifies public hospitals using guided criteria, including the range of services, clinic scale, and number of beds, hospital scope and size of the area's targeted population. Trans Nzoia County public hospitals are comprised of referral hospitals, county hospital and sub-county hospitals. County public health institutions in Trans Nzoia have been at the forefront of collaboration with the Ministry of Health in ensuring crucial reforms are put in place for quality healthcare (MOH 2023). In June 2022, Trans-Nzoia county government passed, a bill; the Community Hospital Bill, which outlines a framework for implementation of policies and compels the county government to allocate resources, provide necessary hospital amenities, recruit, and train and pay health workers accordingly. Public health institutions, due to inadequate planning by the management, have faced shortages in medical supplies and drugs.

There is concern among health users and healthcare providers regarding the public health institutions across the country. According to Wambugu (2017), majority of health establishments in Kenya are not satisfied with superiority of health care offered and the amenities available as a huge proportion of their performance is based on the latter and thus there is dissatisfaction among the patients. Several proposals have been put in place to combat the setbacks among public health institutions in Kenya. Numerous scholars have used different concepts to study how performance of these health establishments is affected by applying different strategic management techniques. Munirah (2019) assessed the strategic management practices of Saudi Arabia's health sector and observed that both top management and staff should continuously be trained to ensure improved performance.

Nnia et al. (2023) noted that the management should engage the subordinates in decision making for efficient implementation among the Nigerian Teaching Hospital. Karimi and Kavindah (2021) opined that proper allocation of resources within the NHIF in Nairobi was crucial for improved performance. The above studies had varying observations and findings therefore it was necessary to conduct the research study to compare and confirm the previous findings. MOH (2023) observed the public health institutions in Trans Nzoia County continue to face challenges such insufficient resources, inadequate amenities such as drugs and equipment, and inadequate trained staff thus unable to meet the local needs of its residents through provision of quality health care. This has led to calls for more research on strategic management practices in public health institutions' performance in Kenya. Underlying challenges to public health institutions have challenged this research study.

2. STATEMENT OF THE PROBLEM

Public health facilities performance in both developing and underdeveloped nations has startled the general public and the health care providers. Wambugu (2017) observed that majority of the health care providers are dissatisfied with their performance of their health care institutions as majority of their patients are less satisfied with their health care provided. According to the Ministry of Health (2023), public health institutions in Trans Nzoia County continue to face challenges such as inadequate personnel, inadequate funding, insufficient drugs and equipment hindering the delivery of eminence health care. However, the County government of Trans Nzoia proposed the community hospital bill and outlined the manner in which it will impose policies that will compel the county government to recruit and train personnel and pay the health workers well and advance the routine of their public health institutions in the County.

Scholars have conducted various studies on strategic management practices and the achievement of healthcare institutions. There was a discussion of the empirical literature detailing the existence of global contextual, conceptual, and methodological research gaps in the study. In a case study of Nigerian Teaching Hospitals, Nnia et al. (2023) estimated how organizational performance is influenced by the management's strategic practices. The findings revealed that the practices positively affected financial performance. Nkemchor and Ezeanolue (2021) examined how performance in tertiary learning institutions in Delta State, Nigeria has been affected by organization's strategic management practices. This was done in a descriptive nature of research, followed by multiple linear regressions for analysis. The outcomes showed that strategic management positively influences organizational performance.

Studies on strategic management practices and performance have been done locally. Tumate (2023) examined the performance of Nairobi County's health facilities and how they have been affected by strategic management practices. Strategic sampling method was used and analyzed using a linear regression model. The outcome was an affirmation of an existing relation between strategic practice by management and performance. A study according to Ijai and Nyangau (2022), on strategic planning role in enhancing the productivity of health businesses in Kenya's capital, Nairobi, had an average positive influence on performance. Mokeira (2020) explored the strategies utilized by travel and tour bureau in Nairobi County, analyzing how their performance is affected by these strategic practices. The variables under consideration included strategic planning, customer focus and strategic partnership. The study showed that strategic planning has a favorable impact on performance. Momanyi (2020) conducted a study assessing the effects of strategic management practices on the performance of vocational education training in Kenya. The research used data from secondary nature sources to base its findings and there was a positive relationship between strategic management and performance. However, studies by Owolabi & Makinde (2018), Owich (2018), Sumra (2017) and Karanja (2017) indicated that strategic management has a negative impact on performance.

Studies by different scholars gave conflicting results on the effect of strategic management practices and the performance. Some studies conducted used one variable or different variables than those to be used by this study. Some scholars conducted

their studies from other sectors such as the hospitality industry and tertiary institutions and used only secondary sources of data while others were carried out from different geographical places. Therefore, this means that contextual, conceptual, and methodological research gaps exist from the above studies, and the current study intends to fill and confirm the findings from the empirical literature reviewed. In this regard, the researcher noted the significance of finding out how strategic management practices can influence public health institutions' in Trans-Nzoia County Government, Kenya.

3. LITERATURE REVIEW

Theoretical Literature Review

Dynamic Capability Theory

In the year 1997, Teece, Pisano, and Shuen came up with this theory. It is an offshoot of the capability of an organization to build, integrate and even reconstitute internal-external proficiencies in order to handle the quick environmental changes (Sriyani et al., 2022). The theory is rooted in the view that if organizations are to sustain a competitive advantage, they should have resources that are valuable in nature and the capacity to adapt and renew these resources in response to changes in the external conditions (Hillmann & Guenther, 2021).

Proponents of this theory provide support for the extension of RBV to include dynamic aspects of resources and capabilities; they suggest that practices in strategic management should be those regarding continuous learning and innovation, with a capacity to both sense and seize opportunities (Pereira & Bamel, 2021). Supporters of the theory avails a strong framework on how organizational relevance and effectiveness can be maintained in surfacing environments through strategic agility and resource reconfiguration (Nyamrunda & Freeman, 2021).

Critics, however, view the Dynamic Capability Theory as highly abstract and low in empirical specificity. They criticize that the theory poses underexposed mechanisms of how dynamic capabilities are developed and deployed (Kurtmollaiev, 2020). Some even argue that it might be tough to operationalize and measure since, in reality, the distinction between ordinary capabilities and dynamic capabilities is often fuzzy.

Dynamic Capability Theory is highly relevant to strategic planning which is among the independent variables within the context of the extended effects that come along with putting strategic practices by management and how they will affect the health institutions performance in the Trans Nzoia County. Applying the theory would enable these institutions to know the importance of continuously revising strategies, technologies, and processes for improved performance.

Empirical Literature Review

Momanyi (2020) assessed the role of sustainable strategic management in enhancing the performance of TVETs (Technical and Vocational Education and Training) in Kenya. In this study, he used secondary data from reports on the financial, government, and administrative matters from TVET. The findings point out that performance was affected by strategic planning. However, this study intends to collect data from primary sources, such as questionnaires.

Mukokho (2018) evaluated the influence of strategic planning on the performance of public universities in Kenya, focusing on the University of Nairobi as a case study. In this, he used secondary data from financial and administrative reports. From his results, he observes that strategic planning positively impacts performance. Though the existing study centered around public health institutions in Trans Nzoia County, this research depended significantly on primary data sources.

Kasera (2017) conducted a study on strategic management on selected health institutions in Kenya, utilizing a cross-sectional descriptive design to analyze the data and draw conclusions. Primary sources provided data collected via questionnaires, analyzed with STATA 12, which discovered that there was no relationship between performance and strategic planning. As a result, this study employed SPSS to analyze data on public health institutions in Trans Nzoia County, Kenya.

Kirimi and Mutuku (2023) examined how vendor-managed inventory impacts the performance of public health institutions in Nairobi City County, Kenya. The research employed a descriptive research design. The study group included 180 county employees comprising the county pharmacist, sub county pharmacist, head pharmacist, and hospital administrators. The participants were chosen through purposive sampling and simple random sampling methods. Primary data was collected through the use of questionnaires that were assessed for reliability and validity. The research utilized both descriptive and inferential statistics to analyze quantitative data. Descriptive statistics included the mean, mode, median, and standard

deviations. Inferential statistics included regression and correlation analysis, utilizing SPSS for data analysis. The research revealed that vendor-managed inventory positively influenced the performance of public health facilities in Nairobi City County, Kenya. The research finds that the aim of vendor managed inventory is to decrease inventory-related expenses for both sides.

4. RESEARCH METHODOLOGY

The descriptive design methodology was adopted during the study. The population targeted in this study encompassed eighty-seven public health institutions in Trans-Nzoia County. The 87 facilities were broken down into five strata, representing the five sub-counties in the region. The sampling method that was used was the stratified random sampling, which ensures that each stratum was well represented during the study. The respondents were selected using simple random sampling technique. Questionnaires aligned with the study's objectives were used to gather primary data. Descriptive analyses were conducted using bivariate association measures such as regression and correlation. Multiple regressions were employed to develop the model describing the bivariate relationships.

5. FINDINGS

The descriptive statistics results on strategic planning are presented in Table 1.

Table 1: Strategic Planning

Statements	Mean	Standard deviation
There is clear communication of mission & vision	1.70	0.786
The objectives align to mission	1.70	0.786
The management tracks progress constantly	1.20	0.403
Staff share ideas on execution of goals	1.80	0.877
Environmental scanning is done to determine achievable goals	1.60	0.805
The management informs employees of set plans before execution	1.40	0.668
The management allocates funds to strategic plans	1.50	0.675
Strategic plans have improved performance	1.50	0.675
Strategic planning has led to improved performance	1.40	0.668

Table 1 provides a detailed analysis of respondents' perceptions regarding the role of strategic planning in enhancing the performance of public health institutions. The mean values across different aspects of strategic planning range from 1.20 to 1.80, indicating strong agreement on the positive impact of planning. For instance, the communication of the hospital's mission and vision had a mean of 1.70 (Std. Dev = 0.786), suggesting that most respondents believe the hospital's mission and vision are clearly communicated by management. Similarly, the alignment of objectives with the mission also scored a mean of 1.70 (Std. Dev = 0.786), indicating that respondents feel the objectives of the hospital are well-aligned with its mission.

Moreover, tracking progress received the lowest mean score of 1.20 (Std. Dev = 0.403), reflecting an exceptionally high level of agreement that management consistently monitors the progress of its strategic plans. The low standard deviation here signifies little variation in responses, showing a strong consensus among the respondents. When it comes to staff involvement in sharing ideas about goal execution, the mean was 1.80 (Std. Dev = 0.877), indicating that respondents largely agree that staff are actively involved in executing the hospital's goals, though there is slightly more variability in responses for this aspect compared to others.

In terms of external analysis, environmental scanning to assess achievable goals received a mean of 1.60 (Std. Dev = 0.805), suggesting that hospitals are generally proactive in analyzing external factors to guide their planning. Respondents also agreed that sufficient resources are allocated for strategic planning, as evidenced by a mean score of 1.50 (Std. Dev = 0.675), reflecting agreement that necessary financial and material resources are provided to support planning efforts. Lastly, the belief that strategic planning leads to improved performance was reinforced by a mean score of 1.40 (Std. Dev = 0.668), further emphasizing the critical role that planning plays in enhancing institutional performance. These findings demonstrate a broad consensus on the positive impact of strategic planning on hospital performance.

6. REGRESSION ANALYSIS RESULTS

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.807	0.744	0.708	0.153

The results above illustrate the model summary results. The results showed that R was 0.807, R Squared was 0.744, and the adjusted R square was 0.708. The R Squared indicated a meaningful relationship between strategic planning and performance. The adjusted R Square of 0.708 or 70.8 percent meant performance changes were due to variations in strategic planning. However, 29.2 percent of the cases were due to other factors not explained in this model study

Table 3: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.849	0.136		2.151	0.035
	Strategic planning	0.520	0.934	0.062	0.601	0.579

The results from the table above indicated that the equation of the study was;

Performance = 0.849 + 0.520 Strategic Planning.

The finding indicates that a unit increase in strategic planning would cause an increase in performance by 0.520 times, and at a 95 percent significance level, strategic planning had a positive non- significant effect on performance.

7. CONCLUSIONS

The study established that, from its findings, strategic planning positively influenced the performance of public health institutions within Trans Nzoia County. It was inferred that the management of the hospital provides adequate funds needed for strategic planning, the employees share their ideas regarding plans to be implemented, and the goals and objectives of the hospital distinctly state the mission and vision of the hospital.

8. RECOMMENDATIONS

The study recommendation is that an organization's management should be able to align its goals and objectives with the implementation strategy and communicate the strategies to staff for a sense of belonging and motivation, and also give adequate resources for strategy implementation to enable a match between preset goals with improvement in the performance of organizations.

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