

**EFFECTS OF STRATEGY IMPLEMENTATION ON PERFORMANCE OF ITEN
COUNTY REFERRAL HOSPITAL, ELGEYO MARAKWET COUNTY, KENYA**

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**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF THE
REQUIREMENT FOR THE AWARD OF MASTER OF BUSINESS ADMINISTRATION
DEGREE IN STRATEGIC MANAGEMENT OF
MOUNT KENYA UNIVERSITY**


JULY 2025


DECLARATION AND APPROVAL

DECLARATION AND APPROVAL

Declaration by the Candidate

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

Signature.....


Date.....

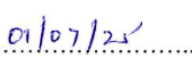
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Approval by the University Supervisor

I confirm that the work reported in this project was carried out by the candidate under my supervision.

Signature.....

Date.....

Dr. Anthony Alexis (PhD)

Mount Kenya University

DEDICATION

I dedicate this project to my wife Jane, and children Kevin, Sheilla and Brian for their support and encouragement.



ACKNOWLEDGEMENT

I am profoundly grateful to the Almighty for granting me the strength, wisdom, and perseverance throughout the journey of crafting this research project. I would like to express my heartfelt gratitude to my esteemed supervisor, Dr. Antony Alexis, for his unwavering guidance, insightful feedback, and continuous support. His expertise and encouragement have been instrumental in shaping the direction of this research. My sincere appreciation extends to Mount Kenya University for providing me with the invaluable opportunity to pursue my Master's degree and fostering an environment conducive to academic growth. I am also indebted to my friends for their encouragement, understanding, and unwavering belief in my abilities. Their moral support and shared experiences have been a source of inspiration and motivation.



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ABSTRACT

Strategy implementation was recognized as a crucial element of the strategic management process, involving the enthusiastic execution of well-developed systems and coordinated activities utilizing various resources to achieve organizational objectives. Many institutions encountered significant challenges in policy implementation, with most strategies failing to improve performance due to poor execution. The study aimed to assess the effects of organizational structure, resource allocation, organizational culture, and rewards on the performance of Iten County Referral Hospital in Kenya, serving as a valuable resource for future researchers, policymakers, and hospital management by providing insights into how these factors influenced strategic success. Guided by resource-based view, agency, and upper echelon theories, the research employed a quantitative descriptive design, targeting a population of 214 staff members, with a sample size of 139 selected through simple random sampling. Data collection involved structured questionnaires, with reliability and validity ensured through correlation and content validity ratio, and analysis conducted using descriptive and inferential statistics, including multiple linear regression. Throughout the study, confidentiality, privacy, informed consent, and anonymity were upheld. The findings indicated that the hospital could overcome some implementation challenges by adopting strategies such as staff training, motivation, improved resource allocation, and fostering a positive organizational culture, which were expected to facilitate the successful execution of its strategic plans. The study, which achieved a response rate of 91.36%, found that organizational structure was the most significant predictor of performance, with a standardized beta coefficient of 0.478, indicating a strong positive impact. Enhancing structural elements such as clear hierarchies, efficient reporting systems, and streamlined decision-making processes was associated with notable improvements, with a one-unit increase in organizational structure linked to a 0.459 increase in performance. Organizational culture ($\beta = 0.393$) and resource allocation ($\beta = 0.384$) also significantly influenced performance outcomes; a positive culture and strategic resource distribution aligned with institutional goals contributed to increased productivity and operational efficiency. Reward systems, with a β of 0.357, played a critical role in motivating staff and improving organizational results. The findings concluded that equitable resource distribution and a strong organizational culture were fundamental to enhancing healthcare performance. Based on these results, it was recommended that healthcare organizations prioritize establishing transparent hierarchies, effective communication channels, role clarity, and a balanced approach to centralization and decentralization to foster staff motivation, teamwork, and operational effectiveness.

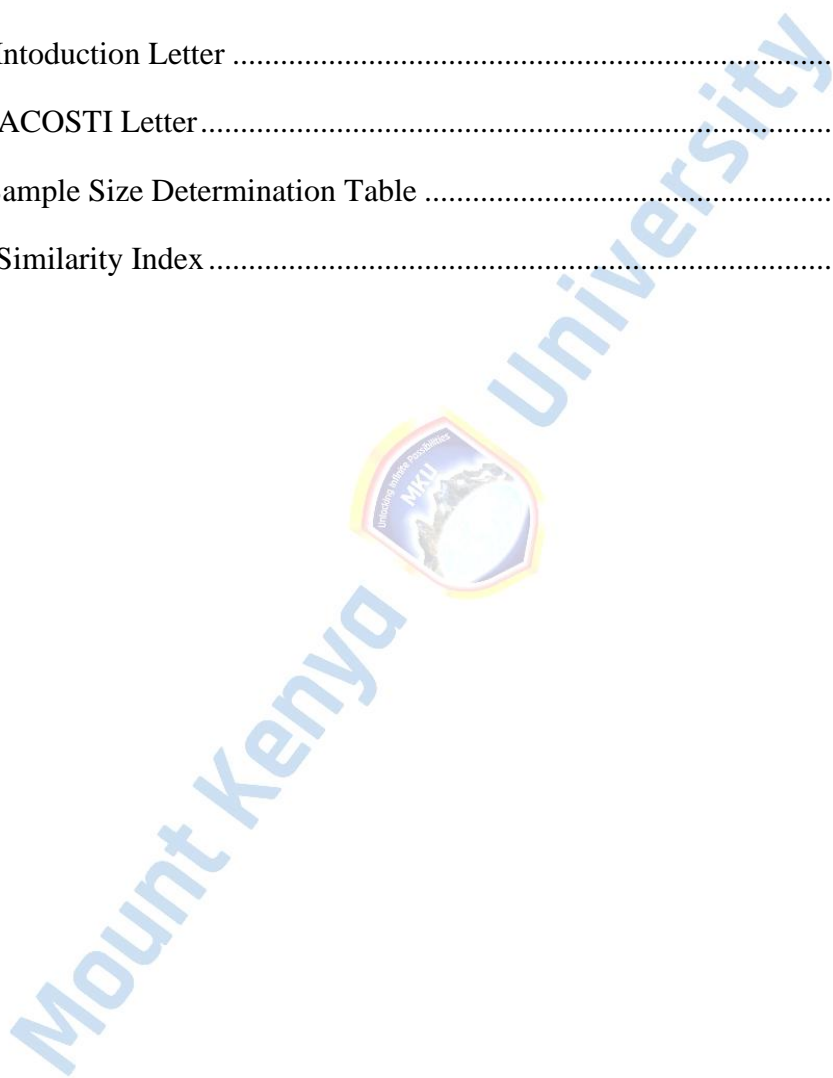
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LIST OF ABBREVIATIONS AND ACRONYMS

HR:	Human Resource
NGO:	Non-Governmental Organization
RBV:	Resource-Based View
SME:	Small and Medium Enterprises
TMT:	Top Management Team



CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Strategic management has become a prominent concept in the corporate world in recent decades. Perrow (2016) defines it as the formal and structured process through which a business establishes a position of strategic leadership. Developing a strategy involves a combination of rational analysis, intuition, experience, and emotion. While Serfontein (2010) acknowledges some uncertainty regarding the significance of systematic analysis in the strategy process, Ruth (2013) emphasizes that without proper analysis, the process of strategizing at the senior management level can be chaotic and lack a basis for evaluating alternatives.

The activities encompassed by strategic management have historically been referred to by various terms such as strategic planning, long-range planning, corporate planning, and business policy. These terms, while initially distinct, have often been used interchangeably in both academic literature and practical application to describe the processes involved in setting organizational goals and determining how to achieve them (Furrer et al., 2017). Over recent years, however, there has been a noticeable shift in terminology, with the term 'planning' increasingly being overshadowed by 'management.' This change reflects a broader understanding that strategic management encompasses not just the formulation of plans but also their implementation, monitoring, and continuous adaptation in response to changing internal and external environments (Lynch & Cross, 2019).

Consequently, strategic management is now recognized as a comprehensive framework that integrates vision, strategic direction, mechanisms for execution, and organizational structures. This holistic approach emphasizes that strategy is not a static document but a dynamic process that involves ongoing assessment and realignment, especially in fast-paced, complex markets (Hitt et al., 2020; Johnson et al., 2021). Scholars argue that effective strategic management requires organizations to develop flexible structures and mechanisms that facilitate responsiveness and innovation, aligning resources and capabilities with strategic goals (Wang & Ahmed, 2020).

According to Pride and Ferrell (2013), strategy implementation is fundamentally the process of translating articulated strategies and detailed plans into actionable steps that enable organizations

to reach their defined objectives. This process involves addressing critical questions such as who is responsible for executing specific tasks, where activities will take place, when actions should be taken, and how strategies will be operationalized effectively (Harrington, 2006). Strategy implementation is often seen as the bridge between formulation and operational success, requiring coordination and commitment across various organizational levels (Choi & Pak, 2017).

Harrington (2006) characterizes strategy implementation as an iterative, ongoing process that involves executing strategies, policies, programs, and action plans designed to leverage an organization's resources competitively. Recent research emphasizes that this process must be adaptable, allowing for adjustments based on feedback and environmental shifts (Jansen et al., 2018). Pearce II (2008) perceives strategy implementation as the act of putting the chosen strategy into action, stressing the importance of aligning organizational activities, leadership, and culture to foster successful execution (Noble et al., 2021). This alignment ensures that strategic initiatives are supported throughout the organization and that the cultural context facilitates change and innovation (Meyer & Stensaker, 2019).

Li, Guohui, and Eppler (2018) view strategy implementation as a dynamic, iterative, and complex process influenced by a multitude of internal and external factors. They emphasize that it involves a series of decisions and activities undertaken by managers and employees to bring strategic plans to fruition, often requiring continuous learning and adaptation (Zhang et al., 2022). Recent perspectives highlight that successful implementation depends heavily on organizational agility, clear communication channels, and a culture that promotes strategic alignment and change management (Kumar & Subramanian, 2022; Lee & Lee, 2023). Furthermore, advancements in digital technologies and data analytics have introduced new tools that support real-time monitoring and adjustment of strategic initiatives, reinforcing the importance of a flexible, responsive approach (Chen et al., 2021).

In order for companies to thrive in today's globalized and dynamic business environment, they must possess the ability to quickly and efficiently adapt to new circumstances (Cardinaels & Veen-Dirks, 2010). Both internal and external stakeholders, including shareholders, customers, employees, suppliers, and technology, exert pressure on the company's capacity to adapt and drive progress both internally and externally (Jaaskelainen & Sillanpaa, 2013). The process of implementing a strategy occurs at various levels of management corporate, tactical, and

operational each with its own distinct roles. The strategy is put into action through tactical or action plans, where it is broken down into operational components and assigned to specific departments or individuals, along with established time frames for completion. Budgets are then allocated for each activity, and a control mechanism is implemented to monitor progress (Robinson, 2020). Strickland (2021) emphasize that a sound strategy alone is not sufficient; proper implementation processes must be in place to achieve the desired outcomes. Bhatti (2011) acknowledges that strategic implementation is a crucial step in translating a company's vision and objectives into reality, and without effective implementation, even the most well-crafted strategy will not yield the intended results. He also underscores that successful strategy implementation is vital for both public and private organizations.

Hill and Jones (2019) emphasize that after selecting a strategy to meet organizational goals, its effective execution entails establishing a fitting organizational structure and managing its implementation through tailored management systems aligned with strategic needs. However, Hrebiniak (2016) highlights the complexities of strategy implementation, pointing out its extended time frame, the involvement of numerous stakeholders, and the heightened task intricacy, necessitating a blend of sequential and simultaneous thinking by implementation managers. Building on this, recent studies by Smith and Lee (2020) suggest that the historical divide between strategy formulation and implementation, exacerbated by corporate planning practices, has necessitated active engagement from line managers to bridge the gap and ensure alignment with strategic objectives. Furthermore, Ungerer et al. (2018) advocate for a cyclical approach to strategy implementation, which involves assessing the current landscape, envisioning future scenarios, developing strategic options, crafting a robust strategy framework, and executing it effectively to gain a sustainable competitive advantage.

While organizations prioritize their strategies, the effective implementation of these strategies poses a substantial challenge. Despite having well-crafted strategies in place, banks encounter significant complexities in executing them, as highlighted by Allio (2015). The key to ensuring strategy success lies in translating it into actionable steps that are both thoughtful and feasible. These steps should act as guiding principles for the daily operations of the organization's members. Success hinges on seamlessly aligning the strategy with the organization, requiring managers overseeing the implementation process to offer guidance, monitor progress, evaluate outcomes,

and adapt to changes in a dynamic environment. Cole (2019) underscores the challenges of implementing a transferred strategy, particularly in turbulent settings, emphasizing the need for ongoing attention to achieve the bank's long-term objectives.

This study integrates three contemporary theoretical frameworks: Agency theory, Resource dependence theory, and Resource-based view theory. Agency theory delves into the interaction dynamics between a principal (owner) and an agent (manager) and how this relationship can effectively govern an organization (Smith, 2018). Hrebiniak (2019) posits that the Resource-based view theory underscores the critical role of a firm's internal resources (both tangible and intangible) and capabilities in shaping strategic decisions, prioritizing them over external environmental factors.

Nkozi's (2015) research conducted in South Africa, which explored the factors influencing the implementation of strategic plans, identified that the foremost challenge affecting strategy adoption is the lack of sufficient financial resources. It was closely followed by issues related to poor structural organization, a reduced emphasis on market analysis, unfavorable frameworks, and resistance to change, in that order. These challenges collectively represent the primary barriers to effective strategy implementation. Other studies have also highlighted that the process of strategy adoption has become increasingly expensive and cumbersome compared to the relatively smoother strategy formulation. A Kenyan analysis conducted by Omboi and Mucai (2011) suggested that ineffective management practices, stemming from a lack of thoughtful consideration and over-reliance on incentive-based plans, are relatively insignificant due to the inherent complexity of motivation required for successful employee engagement. This stands in contrast to intrinsic motivation, which is driven by governance and the physical rewards tied to the management's oversight of significant plans. To ensure successful schedule implementation within an organization, an evaluation should be carried out to confirm the alignment of various key components of the organization.

In another study, Guruwo, Chiguvi, &Guruwo (2017) conducted a descriptive analysis of clothing retail outlets in Zimbabwe, employing descriptive statistics to analyze data collected from self-administered questionnaires and structured interviews with 40 participants. However, this study did not utilize inferential statistics to establish correlations between variables. Therefore, the present research aims to address these methodological limitations by incorporating both

descriptive and inferential statistics for a more comprehensive conclusion. Furthermore, Mohamed and Mohamud's (2021) examination of the effects of strategic management practices on the performance of NGOs in Mogadishu, Somalia, while valuable, may not directly apply to the context of Chemelil Sugar Company due to the geographical and operational differences. Thus, it was deemed pertinent to investigate the impact of strategy implementation on the performance of Chemelil Sugar Company independently.

Awino (2017) underscores that successful strategy formulation and execution are vital for the sustainability of pharmaceutical firms, given their substantial contribution to a country's economic growth. McNamara (2010) observes that, in many organizations, institutional strategy is not implemented as outlined in the strategic plans. In Africa, studies by Aosa (2008) and Fubara (2007) highlight that numerous organizations formulate strategies that are ultimately not implementable. The successful execution of a chosen strategy demands that managers meticulously break it down into a series of activities and actions that will lead to the attainment of the intended goals and objectives (Jouste&Fourie, 2009). Strategy implementation constitutes the second stage in the strategic management process, involving the translation of strategic plans into operational activities that ultimately lead to the realization of organizational goals and objectives. Existing literature in strategic management emphasizes that this stage is not only pivotal but also the most

According to Sage (2015), the strategy implementation process holds a paramount position challenging in the entire strategic management process (Carter &Pucko, 2010; Sage, 2015). within a firm or organization, arguably even more crucial than the initial strategy formulation itself. Previous scholarly works have consistently highlighted a notable failure rate in strategy implementation across organizations globally. Carter and Pucko (2010) pointed out that between 60% to 80% of organizations worldwide excel in strategic formulation but encounter significant challenges or outright failures during the strategy implementation phase. This high failure rate not only disheartens the involved stakeholders but also hinders these firms from fully realizing their objectives.

Kenya's Vision 2030 (RoK, 2008) envisions a robust manufacturing sector as a key component in the country's industrialization agenda by the year 2030. However, historical performance data of the manufacturing sector has been lackluster, contributing a mere 14.2% to the country's value addition (Kippra, 2013). This not only casts a somber outlook on the sector, which is a linchpin

for economic growth, but also poses a threat to the timely achievement of the Vision 2030 aspirations. Notably, manufacturing SMEs have outperformed larger industries in terms of growth and job creation (Kippra, 2013). These SMEs in the manufacturing sector are poised to further excel if they wholeheartedly adopt and commit to their strategic plans executed as originally planned.

In the context of the study on the *effects of strategy implementation on performance of Iten County Referral Hospital, Elgeyo Marakwet County, Kenya*, performance can be understood as the hospital's ability to achieve its healthcare objectives efficiently and effectively. As defined by Jenatabadi (2015), performance involves the successful completion of assigned tasks, which, for a public health institution, translates to delivering quality healthcare services. According to Upadhaya, Munir, and Blount (2014), organizational performance measures how closely the hospital's actual outcomes align with its strategic goals—such as improved patient care, resource utilization, and staff productivity. Williams (2002) supports this view by highlighting that performance includes operational efficiency, timely service delivery, and adaptability to changing healthcare demands. Akinyi (2012) also notes that performance assessment methods should align with institutional needs, indicating that Iten County Referral Hospital must adopt performance metrics that reflect its specific healthcare delivery mandate. Therefore, analyzing the effects of strategy implementation provides insight into how well the hospital meets its objectives and responds to the healthcare needs of the community.

1.2 Statement of the Problem

In Kenya's healthcare sector, effective strategy implementation is vital for improving service delivery, optimizing resource use, and enhancing institutional performance. However, Iten County Referral Hospital, a key public health facility in Elgeyo Marakwet County, continues to face significant performance challenges. Recent health sector performance reports have highlighted persistent issues such as high patient congestion, long waiting times, inadequate staffing, and frequent drug stock-outs (Ministry of Health, 2021). For instance, the hospital's average outpatient waiting time exceeds the national target of 60 minutes, often ranging between 90 and 120 minutes (County Health Report, 2023). Moreover, bed occupancy rates have surpassed 110%, far beyond the recommended 85%, indicating systemic inefficiencies in service delivery.

These performance gaps suggest underlying strategic implementation weaknesses. Despite having strategic plans in place, the hospital has struggled to operationalize them effectively. Factors such as unclear role assignments, lack of staff involvement in strategy development, and insufficient

resource allocation may be contributing to these shortcomings. According to Raps and Kauffman (2015), such organizational indecisiveness accounts for 10% to 30% of implementation failures, while Bititci et al. (2015) argue that many institutions fail to realize expected benefits due to poor strategy execution mechanisms. While previous studies (e.g., Gabow, 2019; Mailu, Ntale & Ngui, 2018) have explored strategy implementation in national referral hospitals and the pharmaceutical sector, limited attention has been paid to county-level hospitals, particularly in rural regions like Elgeyo Marakwet. This creates a critical knowledge gap, which this study seeks to fulfill.

1.3 Purpose of the Study

The purpose of this study was to determine effects of strategy implementation on performance of Iten County Referral Hospital, Elgeyo marakwet County, Kenya.

1.4 Objectives of the Study

The study was guided by the following objectives:

- i. To establish the effects of organization structure on performance of Iten County Referral Hospital, Elgeyo Marakwet County, Kenya
- ii. To establish the effects of resource allocation on performance of of Iten County Referral Hospital, Elgeyo Marakwet County, Kenya
- iii. To establish the effects of organization culture on performance of Iten County Referral Hospital, Elgeyo Marakwet County, Kenya
- iv. To assess the effects of rewards on performance of of Iten County Referral Hospital, Elgeyo Marakwet County, Kenya

1.5 Research Hypotheses

The following research hypotheses guided the research study:

H0₁: There is no significant effect of organization structure on performance of Iten County Referral Hospital in Elgeyo Marakwet County, Kenya.

H0₂: There is no significant effect of resource allocation on performance of Iten County Referral Hospital in Elgeyo Marakwet County, Kenya.

H0₃: There is no significant effect of organization culture on performance of Iten County Referral Hospital in Elgeyo Marakwet County, Kenya.

H04: There is no significant effect of rewards on performance of Iten County Referral Hospital in Elgeyo Marakwet County, Kenya.

1.6 Significance of the Study

The research holds significance for upcoming researchers and scholars, serving as a valuable resource for their studies and aiding in the identification of research gaps that require exploration. This contribution is expected to enhance empirical research in the domains of strategy implementation and organizational performance.

Furthermore, the findings of this study would be pertinent for policymakers within county governments and other governmental bodies responsible for shaping policies related to strategy implementation. The insights derived from the research are anticipated to inform the formulation and implementation of policies within autonomous government entities in Kenya.

Additionally, the study bears relevance to the management of Iten County Referral Hospital, particularly those involved in strategizing for the organization. By shedding light on the impact of strategy implementation, the research equips the hospital's management and staff with a comprehensive understanding of how these strategies influence the organization's pursuit of its mandate.

1.7 Scope of the Study

The study will be focused on Iten County Referral Hospital, located in Elgeyo Marakwet County, Kenya. The study aims to provide detailed insights into the effects of strategy implementation on the performance of county referral hospitals in this specific context. The study will revolve around examining the effects of strategy implementation on hospital performance, encompassing various aspects including organizational culture, organizational structure and rewards. The study will cover a period between 2020 and 2023.

1.8 Limitations of the Study

Certainly! Here's a lengthened and more detailed version of your sentence:

One of the primary limitations that the research study may have encountered stems from the possible reluctance of respondents to provide honest or complete responses, largely due to

concerns regarding the confidentiality of the information they shared. Despite assurances that their identities and responses would be protected and used solely for academic purposes, some participants might have chosen to withhold certain critical information or respond inaccurately. This hesitance could be attributed to a fear of potential negative consequences, such as personal or professional repercussions, or a general mistrust in the research process and its ability to safeguard their privacy. Such concerns may have affected the accuracy and reliability of the data collected, thereby potentially limiting the validity of the study's findings.

1.9 Delimitations

In an effort to address this limitation, the researchers implemented several strategic measures aimed at encouraging full and truthful participation from respondents. First, they took deliberate steps to reinforce confidentiality protocols by clearly outlining how participants' data would be handled, stored, and used solely for academic purposes. This included the use of coded identifiers instead of personal information, secure storage of completed questionnaires or interview transcripts, and restricted access to data by unauthorized individuals.

Additionally, the researchers made a conscious effort to build trust with participants by establishing a rapport during initial engagements, communicating in a transparent and respectful manner, and providing opportunities for participants to ask questions or seek clarification about the study's purpose and procedures. This approach was intended to alleviate any fears or doubts they may have had about the research process.

Furthermore, emphasis was placed on the critical role of the participants' honest and open responses in contributing to the validity and success of the study. The researchers consistently reminded participants that their input was highly valuable and necessary for drawing meaningful and accurate conclusions. To further reassure participants, explicit assurances of both anonymity and confidentiality were provided throughout the study. These assurances were reiterated in consent forms and verbally during interviews or data collection sessions, ensuring participants understood that their identities would not be revealed and their responses would be treated with the utmost discretion and professionalism.

1.10 Assumptions of the study

It was assumed that challenges, such as inadequate funding, limited resources, lack of stakeholder engagement, or resistance to change, would arise during the implementation of the strategic initiatives. It was assumed that having a competent and dedicated healthcare workforce, including doctors, nurses, administrative staff and other health workers, played a crucial role in successful strategy implementation and ultimately affects the performance of County Referral Hospital.



1.11 Operational definition of key terms

Organizational culture: The shared values, beliefs, norms, and behaviors that characterize the working environment and shape the collective identity of the hospital.

Organizational structure: The formal arrangement of roles, responsibilities, and reporting relationships within the hospital.

Rewards: The incentives, recognition, or compensation mechanisms provided to employees in recognition of their performance or contribution to the hospital's goals.

Strategy: The overarching plan or approach adopted by the hospital to achieve its long-term goals and objectives.

Implementation: The process of translating the strategic plan into action by effectively executing the identified initiatives, projects, or programs.

Organizational performance: The measurable outcomes or results achieved by the hospital in relation to its goals and objectives.



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CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This portion delves into the literature review that served as the basis for the current study. At first, the chapter emphasizes the exploration of empirical literature. Following this, a conceptual framework is delineated, and the chapter culminates with a summary, spotlighting the research gaps identified during the review process.

2.2 Empirical Literature Review

The empirical literature on the effects of strategy implementation on performance provides a comprehensive understanding of the relationship between strategic actions and organizational outcomes. Numerous studies have investigated the impact of effective strategy implementation on various performance indicators, such as financial performance, market competitiveness, and organizational growth.

2.2.1 Organization Structure and Performance

Organizational configuration encompasses four aspects of organizational culture: centralization, formalization, span of control, and departmentalization. Colombo and Delmastro (2012) emphasize that breadth and depth are crucial elements for depicting an organization's structure. Depth refers to the number of managerial levels between top management and operational employees, while breadth indicates the total number of direct reports or reports supervised by a manager (span of control). Span of control is assessed at each managerial level and averaged across all levels of an organization (Teece et al., 2010). Therefore, depth and breadth exhibit an inverse relationship in relation to the size of an organization.

Organizational structure serves as a fundamental cornerstone of organizational effectiveness. Robbins (2017) characterizes organizational effectiveness as the extent to which an organization achieves its short- and long-term goals, with the selection of these goals influenced by strategic constituencies, the evaluator's self-interest, and the organization's life stage. According to Higgins' (2015) Eight S's model, organizational structure encompasses five key components: defining roles and responsibilities (jobs), granting the authority to carry out those roles, logically grouping jobs, determining the manager's span of control, and establishing mechanisms for coordination.

Organizational structure plays a pivotal role in shaping an organization's overall performance by influencing communication, decision-making processes, and resource allocation. Theoretical frameworks such as contingency theory suggest that the effectiveness of an organizational structure depends on its alignment with the external environment and internal strategic objectives (Donaldson, 2018). Recent empirical studies have reinforced this view, demonstrating that flexible and decentralized structures tend to foster innovation, responsiveness, and employee engagement, which in turn positively impact organizational performance (Zhou & Wu, 2019). For instance, research by Li and colleagues (2020) indicates that firms employing flatter hierarchies and team-based structures exhibit higher adaptability in dynamic markets, leading to improved financial outcomes and customer satisfaction. Conversely, highly bureaucratic or rigid organizational structures may hinder swift decision-making and limit a firm's ability to respond to environmental changes, thereby negatively affecting performance (Kumar & Subramanian, 2021).

The relationship between organizational structure and performance is also mediated by factors such as organizational culture, leadership style, and technological integration. Recent studies emphasize that structure alone cannot determine organizational success; rather, its effectiveness depends on how well it supports the organization's strategic goals and operational processes (Wang & Ahmed, 2020). For example, innovative organizations often adopt organic structures that promote collaboration, knowledge sharing, and autonomy, which are crucial for fostering creativity and continuous improvement (Jansen et al., 2018). Furthermore, the integration of digital technologies and data-driven decision-making has transformed traditional organizational structures, necessitating more agile and networked configurations that enhance information flow and operational efficiency (Chen et al., 2021). As organizations become more complex and globalized, research suggests that hybrid or matrix structures are increasingly prevalent, providing a balance between control and flexibility to optimize performance across diverse markets (Lee & Lee, 2023).

Despite the extensive research linking organizational structure to performance, scholars acknowledge that this relationship is context-dependent and influenced by various internal and external factors. Recent meta-analyses and longitudinal studies reveal that there is no one-size-fits-all approach; instead, the optimal structure varies based on industry, organizational size, and strategic focus (Noble et al., 2021). Moreover, the rapid pace of technological change and

globalization has challenged traditional assumptions, prompting organizations to continuously adapt and reconfigure their structures to sustain competitive advantage (Kumar & Subramanian, 2022). Overall, the evolving literature underscores that organizational structure remains a critical determinant of performance, but its success depends on alignment with organizational strategy, culture, and external environment. Future research emphasizes the importance of dynamic structural configurations that can evolve in tandem with organizational needs, emphasizing agility and resilience as key drivers of sustained performance (Zhang et al., 2022).

When implementing a business strategy, decisions must be made regarding how the organization is structured. This involves determining the specific tasks to be carried out, delegating the authority to perform those tasks, organizing jobs into departments and divisions, establishing the manager's level of authority, and implementing control mechanisms for the structure.

Richards (2016) argues that scholars have often posited that goals and strategies are the primary factors influencing organizational structure. While strategy, defined as the long-term goals of an organization and the actions needed to achieve them, is a crucial element, it is just one of many components that shape the structure. Numerous studies have sought to establish a definitive link between strategy implementation and structure, yet no unequivocal conclusions have been reached regarding their interplay. It is, however, recognized that the industrial environment of the organization exerts a significant influence on both strategy implementation and, consequently, the structure.

2.2.2 Resource Allocation and Performance

An organization's resources play a pivotal role in establishing sustainable competitive advantages. This argument stems from the notion that firms possess distinct and unique resources that serve as the foundation for their strategies (Gachua, 2017). The allocation of resources significantly impacts the execution of management's approved plans (Mango, 2014). This process encompasses elements such as budgeting, financial planning, and the optimal utilization of available resources within an organization (Ongeti, 2014). Resource allocation stands at the core of an organization's management activities, enabling the effective and ample implementation of strategies. According to Barnat (2016), the efficacy of resource allocation is gauged by the extent to which an organization achieves its objectives. Nevertheless, many organizations face challenges in strategy implementation due to resource constraints (Okumu, 2013). Sterling (2003) highlights that a

chronic shortage of resources, including capital and capacity, impedes the effective implementation of strategies. Christensen and Donovan (2020) assert that resource allocation is a pivotal factor that shapes and ultimately constitutes a company's strategic direction and must therefore align with the organization's overall strategy. Resource allocation serves as a criterion for filtering strategic concepts and initiatives that are essential for the execution of strategic plans (Owako & Nyangara, 2021).

In a study conducted by Gachua (2017), the factors influencing strategy implementation in Private Universities in Kiambu County, Kenya were examined using a descriptive research design with a sample size of 133 respondents. The findings revealed a lack of sufficient funding for supporting strategy implementation, emphasizing the importance of clear delineation of duties and tasks.

Similarly, Magiri (2018) investigated strategy implementation at the Kenya Police Service Headquarters. This study employed a descriptive research design and selected 69 employees from a sample pool of 345. Data analysis involved both descriptive and inferential statistics, revealing a positive correlation between resource availability, organizational structure, and organizational performance. Additionally, the study affirmed a positive association between strategic leadership and organizational performance.

Resource allocation is a fundamental aspect of organizational management, serving as the process through which organizations distribute their limited resources—such as financial capital, human talent, technological assets, and physical infrastructure—across various projects, departments, and initiatives. The effectiveness of this distribution directly impacts organizational success, as it determines how well organizations can capitalize on opportunities, respond to challenges, and achieve strategic objectives. Scholars emphasize that strategic resource allocation is not merely about distributing resources evenly but involves careful planning and prioritization to ensure that critical areas receive the necessary support to maximize productivity, innovation, and overall performance. When organizations allocate resources effectively, they can enhance operational efficiency, reduce waste, and foster a culture of continuous improvement. Conversely, poor resource allocation—such as over-investing in less impactful areas or underfunding vital initiatives—can lead to inefficiencies, reduced morale, and diminished competitive advantage, ultimately impairing performance outcomes (Yuchtman & Seashore, 2018; Barney & Hesterly, 2020).

The relationship between resource allocation and organizational performance has been the subject of extensive research, with a consensus emerging that optimal resource distribution is positively correlated with improved productivity, profitability, and innovation. For instance, organizations that strategically direct resources toward core competencies or high-impact projects tend to be more agile and better positioned to adapt to market changes. Effective allocation enables organizations to leverage their strengths and invest in areas that generate the highest returns, thus enhancing overall performance. On the other hand, misallocations—such as allocating excessive resources to declining product lines or underfunding emerging opportunities—can drain organizational capacity and hinder growth. Moreover, research indicates that aligning resource allocation with strategic goals—using frameworks like the Balanced Scorecard—can improve performance management by ensuring that resources support long-term vision and strategic priorities (Hitt et al., 2017; Kaplan & Norton, 2018). This alignment helps organizations monitor progress, adjust priorities, and maintain focus on their key objectives.

Technological advancements have revolutionized the processes of resource allocation, enabling organizations to shift from traditional, intuition-based approaches to data-driven decision-making. Modern analytics tools, big data, and artificial intelligence facilitate real-time tracking of resource utilization, predictive modeling of future needs, and assessment of the impact of resource deployment on organizational performance. These technological innovations allow organizations to allocate resources more precisely, reduce waste, and respond swiftly to changing internal and external conditions (Davenport et al., 2020). For example, predictive analytics can forecast resource shortages or surpluses, enabling proactive adjustments that optimize performance. Furthermore, organizations leveraging these advanced tools often experience gains in efficiency and agility, which are critical in highly competitive and dynamic markets (Brynjolfsson & McAfee, 2018). As digital transformation continues to accelerate, integrating technology into resource allocation strategies is increasingly viewed as essential for sustaining performance improvements.

Organizational structure and culture also play vital roles in shaping resource allocation practices. Decentralized organizations tend to promote autonomous decision-making at the departmental or divisional level, which can facilitate more responsive and context-specific resource distribution.

This decentralization often enhances organizational agility, allowing units to allocate resources rapidly in accordance with local needs and emerging opportunities, thereby driving performance improvements. Conversely, highly centralized organizations may experience rigidity, with resource decisions filtered through top management, potentially leading to delays, misalignments, and reduced responsiveness. The organizational culture—values, norms, and shared beliefs—further influences how resources are prioritized and allocated. Cultures emphasizing innovation, collaboration, and adaptability tend to support more flexible and strategic resource deployment, fostering environments conducive to high performance. In contrast, cultures resistant to change or overly bureaucratic may hinder effective resource distribution, negatively impacting organizational outcomes (Galbraith, 2017; Floyd & Lane, 2019).

Financial resource allocation remains a critical component, particularly in contexts where organizations face constraints and must prioritize investments carefully. Effective financial management, including budgeting, capital investment decisions, and cost control, directly correlates with improved financial performance and organizational sustainability. Strategic capital allocation—such as investing in research and development, new markets, or technological upgrades—can serve as a catalyst for long-term growth and competitive positioning (Ghosh & Saha, 2020; Brealey et al., 2019). Organizations that adopt rigorous financial analysis and prioritize high-return projects tend to outperform those with ad hoc or politically influenced funding decisions. Proper financial resource allocation also entails managing risks, balancing short-term performance pressures with long-term strategic investments, and ensuring liquidity to withstand market fluctuations.

Human resource allocation, encompassing talent management, staffing levels, and workforce deployment, significantly influences organizational performance. Effective deployment of skilled personnel in strategic roles enables organizations to innovate, deliver high-quality services, and respond effectively to customer needs. Workforce flexibility, such as cross-training employees and creating adaptable teams, enhances the organization's capacity to reallocate human resources quickly in response to internal demands or external shocks. Studies demonstrate that organizations investing in talent development and deploying the right skills in the right areas outperform competitors in various performance metrics, including customer satisfaction, operational efficiency, and innovation (Becker & Gerhart, 2018; Cappelli, 2021). Moreover, aligning human

resource strategies with overall organizational goals ensures that personnel are motivated, engaged, and capable of contributing to performance improvements.

External factors such as economic conditions, industry trends, and regulatory environments also exert influence over resource allocation decisions. During economic downturns, organizations often need to reallocate resources swiftly to preserve liquidity and maintain core operations, which can either support resilience or create performance challenges based on decision quality. Conversely, during periods of growth, organizations might allocate additional resources toward expansion, innovation, or diversification, which can significantly enhance performance if managed effectively. Adaptive resource allocation strategies that consider external uncertainties are critical for organizational resilience and sustained performance. The ability to reallocate resources dynamically, based on real-time environmental cues and strategic priorities, has become a key determinant of long-term success in volatile markets (Fazzari & Petersen, 2022; Teece, 2020).

Despite the recognized importance of resource allocation, it remains a complex process fraught with challenges. Political influences, competing stakeholder interests, limited information, and organizational inertia can hinder optimal resource distribution. Decision-makers often face trade-offs, balancing short-term operational needs against long-term strategic investments, which requires sophisticated assessment and stakeholder engagement. Transparency in decision-making processes, rigorous evaluation of resource deployment impact, and continuous learning are vital to overcoming these challenges and ensuring that resource allocation translates into improved performance. Organizations increasingly recognize that effective resource management is a dynamic, ongoing process requiring flexibility, stakeholder alignment, and strategic foresight (Pfeffer & Sutton, 2019; Huang & Van de Ven, 2023). Future research is focusing on developing integrated models that combine strategic planning, technological tools, and organizational change management to optimize resource allocation and elevate organizational performance in increasingly complex environments.

Furthermore, Onyoro (2011) aimed to establish the relationship between strategy implementation and organizational performance within the banking industry. The study demonstrated that effective strategy implementation led to improvements in compliance with budgetary targets, the execution of service delivery charters, and advancements in research and technology.

Sitzmann and Bell (2017) conducted a study on the dynamic effects of subconscious goal pursuit on resource allocation, task performance, and goal abandonment. The research findings demonstrated that achieving goals on a subconscious level enhances task performance, while subconsciously falling short of goals leads to goal abandonment. Additionally, challenging conscious goals can counteract these effects, depending on the level of resource allocation and the timing of target execution. The study also emphasized that resources are vital assets utilized to manage productivity and performance. Effective resource allocation ensures that available resources are assigned in the most efficient and effective manner to achieve organizational goals and objectives.

The study's results highlighted the importance of equity in resource allocation across all areas of the organization (Sitzmann & Bell, 2017). In a separate study, Lemarleni, Ochieng, Gakobo, and Mwaura (2017) examined how resource allocation impacts strategy implementation at the Kenya Police Service in Nairobi County. The findings indicated positive and significant relationships between predictor and dependent variables. The strongest and most favorable associations were observed between organizational culture and the implementation of the strategy, followed by the implementation of financial resources and strategy.

The study underscored the continued importance of resource allocation in organizational performance and emphasized the need for well-defined strategic plans to ensure successful allocation. Effective resource allocation was identified as a catalyst for organizational improvements aimed at enhancing overall performance (Lemarleni et al., 2017).

Kogan, Papanikolaou, Seru, and Stoffman (2017) conducted a study on technological innovation, resource allocation, and growth. The research revealed that the effective definition and allocation of resources significantly contribute to the smooth operation of an organization. However, it emphasized that this allocation process requires careful planning, as it can be challenging at times. It was further established that deviations from expected resource allocation can pose difficulties in implementing organizational strategies. The study also indicated that how resources are allocated directly or indirectly affects productivity and performance levels. The conclusion drawn was that proficient resource allocation is instrumental in helping managers gain insights into how employees function, thereby facilitating the assignment of tasks based on their skill sets.

In a separate study, Chi and Bump (2018) delved into the processes of resource allocation in multilateral organizations operating in global health. The findings suggested that recipient countries have limited influence on allocation processes, though they do wield some sway in specific, defined areas within these processes. Effective resource allocation enables managers to track employee presence in particular tasks and assign tasks according to their availability. It also assists managers in managing employee workloads. This means that managers can review employees' task lists to identify those with excessive tasks and those who may be under-assigned. This approach helps boost employee morale as they won't feel overwhelmed by their workload (Chi & Bump, 2018).

2.2.3 Organizational Culture and Performance

The culture and behaviors within an organization pose a challenge to the effective implementation of strategies. This can manifest in a weak integration of activities and a diminished sense of ownership and dedication (Aaltonen and Ikåvalko, 2012). Additionally, Corboy and O'Corrbui (2014) highlight the detrimental pitfalls associated with strategy implementation. These encompass a failure to grasp how strategy should be executed, a lack of recognition and support for the strategy from both customers and staff, an inability to identify and address challenges and obstacles, and a tendency to underestimate the importance of day-to-day operational imperatives. Marginson (2012) concurs that successful strategy implementation hinges on obtaining the commitment of a group, achieved through a coalition-based decision-making process or through the full participation of implementation staff within a resilient corporate culture. When discussing organizational culture, we are considering factors such as managers' leadership styles, including how they allocate their time, what they prioritize, how they engage with and question their employees, and their approach to decision-making. Organizational culture encompasses beliefs, values, norms, and the actions of leaders, including aspects such as dress codes, corporate events, and informal interactions with employees.

Companies often possess entrenched cultures and traditions that are crucial for a collaborative approach to strategy implementation. The inability to foster these firm cultural values, which are essential for adapting to and meeting organizational needs, poses a risk to the successful execution of strategies (Marginson, 2012). While the distinctions between thinkers and doers may diminish, they do not entirely disappear. Companies that adopt a culture emphasizing lower levels of

employee involvement in strategy formulation and execution create a divide between those who generate ideas and those who take action. This approach aims to embed the corporate culture throughout the entire organization (Teece et al., 2010). This cultural model challenges and diverges from the conventional economic perspective of a firm (Marginson, 2012). A "clan-like" organizational structure, as described by Ouchi (2015), is projected to thrive, wherein a strong culture leads employees to align their personal objectives with those of the firm (Aaltonen and Ikåvalko, 2012). Maintaining an elevated level of organizational slack is imperative for instilling and sustaining this cultural model. However, it comes with several drawbacks, including the assumption of highly knowledgeable and adept participants, potential loss of focus for companies employing this model, high costs associated with cultural shifts, reduced diversity due to increased homogeneity, and a potential decline in creativity (Marginson, 2012).

Organizational culture significantly influences organizational performance by shaping employees' attitudes, behaviors, and overall work environment. Recent studies underscore that a strong, positive culture aligned with organizational goals enhances motivation, commitment, and productivity, ultimately driving superior performance (Schein, 2017). Researchers emphasize that cultures characterized by shared values, trust, and open communication foster collaboration and innovation, which are critical in today's dynamic business landscape (Alvesson & Sveningsson, 2018). Moreover, the alignment between organizational culture and strategy is vital; when culture supports strategic objectives, organizations tend to experience higher levels of effectiveness and resilience (Cameron & Quinn, 2019). For example, a culture emphasizing continuous learning and adaptability has been linked to increased organizational agility and improved performance outcomes (Kirkman et al., 2020).

Recent literature highlights the role of leadership in shaping and maintaining organizational culture. Transformational leaders, through their vision and influence, can foster a culture that motivates employees to excel and innovate, which in turn enhances performance (Bass & Avolio, 2021). Conversely, dysfunctional or toxic cultures—characterized by fear, cynicism, and resistance to change—negatively impact employee engagement and organizational results (Cameron et al., 2022). Additionally, the impact of organizational culture on performance has been examined across different industries, with findings indicating that culturally adaptive

organizations are better equipped to navigate disruptions and capitalize on opportunities (Nguyen & Nguyen, 2023).

In the context of globalization and digital transformation, the importance of cultivating a resilient and inclusive culture has become more pronounced. Organizations that foster diversity, equity, and inclusion not only improve employee satisfaction but also benefit from a wider range of perspectives, leading to innovative solutions and improved performance (Johnson & Smith, 2024). Furthermore, recent research explores the dynamic nature of organizational culture, recognizing that it is not static but evolves in response to internal and external influences. Adaptive cultures that encourage agility and learning are associated with higher performance levels, especially in volatile environments (Brown et al., 2023).

Despite its importance, measuring the direct impact of culture on performance remains complex, often requiring qualitative assessments and longitudinal studies to capture subtle cultural shifts and their effects (Martin & Meyerson, 2019). Challenges such as cultural misalignment, resistance to change, and superficial implementations can undermine efforts to leverage culture as a performance enabler. Therefore, organizations are increasingly investing in culture change initiatives, emphasizing authentic leadership, clear communication, and employee involvement to embed desired cultural attributes and enhance performance (Fitzgerald & Searle, 2020). Looking ahead, future research is expected to focus on the interplay between organizational culture, technology, and performance metrics, aiming to develop more precise frameworks for cultivating cultures that sustain competitive advantage in rapidly changing environments.

Abok et al. (2013) conducted a study to explore the influence of organizational culture on strategy implementation within Non-Governmental Organizations. The researchers surveyed 258 Non-Governmental Organizations out of a total population of 2588 in Nairobi. Data was collected through a questionnaire containing both closed and open-ended questions, allowing for the collection of both qualitative and quantitative data. The analysis involved the use of descriptive statistics and content analysis. The findings revealed a significant impact of organizational culture on the execution of strategic plans. However, it's worth noting that the study was confined to Non-Governmental Organizations operating in the Nairobi district, underscoring the need to investigate the effects of aligning organizational culture with strategy on the effectiveness of strategy implementation among County Governments in Kenya.

Isaboke (2015) conducted a study to assess the influence of culture on the strategies of selected universities in Kenya. The study utilized a descriptive approach and employed proportionate stratified sampling for data collection. Primary data was gathered through the use of questionnaires. The findings indicated that specific aspects of culture have a substantial effect on the strategies of these universities. It's important to note that the study focused on only two universities located in the Kenyan Coast and examined only two cultural aspects, leaving room for further exploration.

Goromonzi (2016) undertook a study on the relationship between organizational culture, strategy implementation, and commercial bank performance. The study utilized a four-factor, six-dimensional organizational culture index, as well as an eight-dimensional strategy implementation index for statistical measurement. Ordinary least regression was employed to quantify and econometrically model the impact of these variables on commercial bank performance. Data collection was carried out through the administration of questionnaires.

The findings of the study revealed that both organizational culture and strategy implementation exerted a statistically significant and positive influence on commercial bank performance. Notably, for banks classified as high performers (including both average and high-performing banks), organizational culture had a notably positive impact on their performance. In contrast, for smaller and lower-performing banks, the effect of organizational culture was relatively neutral. The study also observed that strategy implementation had a strong positive effect in high-performing banks, while its impact ranged from neutral to negative in non-performing banks.

In a separate study, Wanjiru (2015) investigated the relationship between organizational culture and strategy implementation, using Nakumatt Holdings Limited in Kenya as a case study. The study identified innovative culture and clan culture as the dominant cultural traits within the organization. These cultures played a pivotal role in cultivating a conducive work environment that fostered commitment and loyalty towards the implementation of strategy. Additionally, the study emphasized the crucial connection between organizational culture and strategy implementation, underscoring the importance for managers to comprehend the underlying cultural assumptions within their organizations prior to embarking on strategic initiatives. This understanding helps prevent improper strategy implementation, reduces conflicts, and minimizes resistance.

2.2.4 Rewards and Performance

In recent years, the concept of total rewards has garnered significant attention in the field of total rewards research, with various scholars advocating for its implementation within organizations (Armstrong & Taylor, 2014; Bussin&Toerien, 2015; Kaplan, 2012; Makhuzeni&Barkhuizen, 2015). The foundation of total rewards lies in its comprehensive approach, encapsulating both financial and non-financial incentives that an organization may offer its employees (Armstrong, 2006; Nazir, Shah, &Zaman, 2012; Tsede&Kutin, 2013). Rewards and performance are intrinsically linked concepts in organizational management, with extensive research emphasizing that effective reward systems are critical in motivating employees and enhancing organizational outcomes. The alignment of reward systems with performance management frameworks can significantly influence employee motivation, job satisfaction, and productivity, ultimately driving organizational success (Kuvaas, 2016). Recent studies suggest that monetary incentives, such as bonuses and pay-for-performance schemes, can boost short-term performance; however, their long-term effectiveness depends on contextual factors like organizational culture and individual differences (Deci & Ryan, 2017). Non-monetary rewards, including recognition, career development opportunities, and work autonomy, have gained considerable attention for their role in fostering intrinsic motivation, which is often linked to sustained high performance (Gagné & Deci, 2018). Scholars argue that a balanced mix of extrinsic and intrinsic rewards tailored to individual preferences can lead to better performance outcomes and higher employee engagement (Podsakoff et al., 2019).

The design of reward systems must consider fairness and transparency, as perceptions of inequity can undermine motivation and lead to decreased performance or increased turnover (Colquitt et al., 2020). According to equity theory, employees compare their input-output ratios with those of their peers, and perceived unfairness can negatively impact motivation (Adams, 2016). Therefore, organizations that implement clear, equitable reward policies tend to experience higher levels of trust and commitment among employees, which translates into improved performance (Zhou & Shalley, 2021). Furthermore, the psychological contract—the implicit expectations between employer and employee—plays a vital role in how rewards are perceived and how they influence performance (Coyle-Shapiro & Kessler, 2022).

In addition to the monetary aspect, recent research emphasizes the importance of recognition and feedback as non-monetary rewards that can significantly influence performance. Regular, constructive feedback enhances employees' sense of competence and progress, fostering motivation and better task execution (Hattie & Timperley, 2017). Moreover, recognition programs that publicly acknowledge individual or team achievements have been linked to increased morale, loyalty, and performance (Pfeffer & Sutton, 2018). The integration of performance appraisal systems with reward mechanisms ensures that high performers are adequately recognized and incentivized, creating a culture of continuous improvement (DeNisi & Pritchard, 2016).

Another emerging area involves the impact of personalized reward systems, which tailor incentives to individual preferences and motivational drivers. Research indicates that customization enhances the perceived value of rewards and increases their effectiveness in improving performance (Larkin et al., 2018). Conversely, a one-size-fits-all approach may fail to motivate diverse employee groups, especially in culturally heterogeneous workplaces. Additionally, the advent of digital technologies and data analytics has enabled organizations to design more targeted and dynamic reward strategies, fostering real-time recognition and performance tracking (Kuo & Lin, 2020).

However, there are ongoing debates about the potential drawbacks of over-reliance on extrinsic rewards. Critics argue that excessive focus on monetary incentives can undermine intrinsic motivation, reduce creativity, and promote unethical behavior (Deci et al., 2016). This phenomenon, known as the "crowding out" effect, suggests that extrinsic rewards might diminish employees' internal drive to perform well for its own sake. As a result, organizations are encouraged to adopt a balanced reward approach that supports intrinsic motivators like purpose, mastery, and autonomy (Pink, 2018). Recent empirical evidence highlights the importance of aligning reward systems with broader organizational values and goals to sustain high performance without compromising ethical standards (Baer & Frese, 2021).

Furthermore, contextual factors such as organizational culture, leadership style, and industry type influence how rewards impact performance. Transformational leaders who inspire and motivate employees through vision and shared goals are more effective when combined with meaningful reward systems (Bass & Riggio, 2018). Conversely, transactional leadership, which relies heavily on contingent rewards, may be more suitable for routine tasks but less effective in fostering innovation and long-term performance (Avolio & Bass, 2020). Additionally, in highly dynamic

environments, flexible reward strategies that adapt to changing circumstances tend to be more successful in maintaining employee motivation and performance (Gore & Priem, 2022).

Despite the wealth of research, challenges remain in designing and implementing effective reward systems. Issues such as reward bias, unintended consequences, and the difficulty of measuring intangible performance outcomes complicate efforts to optimize reward-performance linkages (Larkin & Pierce, 2019). Moreover, globalization and cultural diversity require organizations to consider cultural preferences and norms when developing reward strategies, as what motivates employees in one context may not be effective in another (Hofstede, 2016). Future research should focus on developing context-sensitive models that account for these complexities and leverage new technologies for more personalized, fair, and impactful reward systems.

Numerous authors have provided examples of the benefits that can arise from adopting a total reward strategy. Heneman (2007, p. 3) contends that total rewards encompass not only compensation and benefits but also "personal and professional growth opportunities and a motivating work environment (such as recognition, valued job design, and work/life balance)". Similarly, Terera and Ngirande (2014) discovered a positive correlation between rewards and employee retention, aligning with Heneman's perspective. They propose that employers should aim to establish a total reward framework encompassing both financial and non-financial incentives as a strategy to enhance talent retention. Both researchers assert that rewards satisfy not only financial and material needs but also confer social status and a sense of power within an organization. Kaplan (2012) further suggests that through total rewards design, Human Resources (HR) can act as a catalyst for change, facilitating the alignment of efforts towards common business objectives, thereby fostering workforce synergy (p. 18). Moreover, total reward strategies provide employers with an opportunity to tailor rewards to the specific needs of different generational cohorts, offering a customized approach to incentive structures (Bussin & Van Roy, 2014).

Numerous authors have attempted to delineate the key components that constitute total rewards. One prominent figure in this discussion is Fernandes (1998), who includes elements such as basic

salary, variable pay, pension benefits, death insurance benefits, private medical insurance, vocational entitlement, company schemes, share securities, and mortgages in his list. However, a widely adopted total reward strategy model, popular among both HR practitioners and researchers, is the one presented by WorldatWork (2012). This model categorizes total rewards into four main areas the first one being Compensation, This category encompasses various forms of rewards for services provided, including fixed pay like salary, variable pay such as commissions, and premium components like skill-based pay. secondly Benefits Programs These programs cover health, income protection, savings and retirement, and Medicare, offering a safety net for employees and their families. thirdly Work–Life Effectiveness This category involves a specific set of organizational practices, policies, and programs like job security and teleworking. These initiatives offer work flexibility to enable employees to effectively manage their work responsibilities while addressing personal and family-related matters. And lastly Recognition: This includes both formal and informal programs that acknowledge and give special attention to employee performance and contributions to organizational success.

Previous research demonstrates that managers employ diverse strategies to inspire employees and drive their efforts towards organizational goals. Many of these strategies align with Herzberg's motivation-hygiene theory, emphasizing factors such as achievement, personal growth, recognition, and responsibility. The literature on reward strategies underscores the significance of both intrinsic (soft) and extrinsic (hard) motivational factors. Balancing these elements appropriately is crucial in fostering motivation among teaching and non-teaching staff in tertiary institutions.

Several empirical studies support this notion. For instance, Ombui and Mucai (2005) found that the influence of reward management was relatively modest. They suggested that lecturers' cooperation in implementing strategic plans was driven more by intrinsic motivation stemming from their professional ethics than by extrinsic rewards provided by management. Ngethe, Iravo, and Namusonge (2012) argued that effective employee retention requires thoughtful management of remuneration, alongside providing opportunities for career growth, conducive work environments, performance management, and flexible scheduling.

Mwangi (2008) asserts that performance management factors, including quality assurance and staff motivation, play crucial roles. These initiatives involve investing in human resource

management to enhance staff quality, expand their capacity to achieve teaching and research goals, and maintain high academic standards. Ngware, Wamukuru, and Odebero (2006) further emphasize that schools neglecting human resource development risk not only demotivating their staff but also compromising the effectiveness of their workforce. Hence, it is imperative for such institutions to integrate human resources development activities into their overall school development plans. When appointing individuals to positions of responsibility in technical training institutions, it is advisable to prioritize current teachers within the institution, provided they meet the necessary qualifications. This approach not only offers recognition but also serves as a means of motivation for the staff (Akumu, 2005). Akumu pointed out that despite tertiary institutions generating substantial revenue from production units annually, there has been a lack of staff development programs to support lecturers and other support staff in enhancing their skills and competencies. Many lecturers have remained at the Diploma and Higher Diploma levels for extended periods.

This sentiment is echoed by Ngware et al. (2006), who emphasized that schools that empower their employees are more likely to make sound decisions that lead to optimal student achievement. In contrast, schools that suppress the free expression of their employees' intentions may hinder progress.

2.4 Theoretical Framework

This study was grounded in three theoretical frameworks: institutional theory, Resource-Based View theory, and Upper Echelon theory. The following sections provide a detailed discussion of these theories.

2.4.1 Resource-Based View theory

The Resource-Based View (RBV) theory elucidates how an organization's resources, in various forms such as total monetary assets, expertise of key personnel, and overall workforce adequacy, serve to distinguish it from other entities within the industry (Baumol, Litan & Schramm, 2009). Additional metrics encompass factors like networks, among others (Bhide, 2000). Spanos and Lioukas (2001) posit that RBV provides a framework for understanding the disparities in competitive advantages among organizations within a particular industry. By leveraging their resources in the production process, organizations can surpass their rivals and emerge as leaders (Rumelt, 1984 and Barney, 1986).

The Resource-Based View (RBV) theory posits that organizations compete on the foundation of their resources and capabilities (Peteraf and Bergen, 2003). According to many scholars in the RBV field (Bhide, 2000; Peteraf and Barney, 2003; and Foss and Knudsen, 2003), an organization's resources influence its capacity to implement strategic initiatives, subsequently impacting its overall performance. This theory holds relevance for this study as it elucidates the significance of internal resources under an organization's control in determining its performance levels.

The "resource view" theory argues that a company's internal assets and capabilities constitute the primary source of competitive advantage compared to other firms. It employs a set of principles to determine which of these resources represent strengths or weaknesses, which resources generate core competencies that form the basis of competitive advantage (Pearce II et al, 2008). These principles stem from the notion that resources are more valuable when they are: essential for satisfying a customer's needs better than rivals; rare, making them difficult to acquire or lacking substitutes; challenging to imitate; appropriable, meaning all benefits are retained by the organization; and sustainable or viable over time.

A strategic approach based on this perspective aims to identify or cultivate distinctive competencies and resources, leveraging them to create superior value. As long as these capabilities remain exceptional to the firm, they can be harnessed to establish a competitive advantage (Munge, 2014). The resources and capabilities of a firm serve as fundamental factors in shaping its strategy: they serve as the primary foundations upon which a firm can define its identity and devise its strategy, and they are the principal drivers of the organization's profitability. The essence of a resource-based approach to strategy development lies in comprehending the mechanisms that enable the maintenance of a competitive advantage over time. This entails crafting strategies that fully exploit the firm's unique attributes (Grant, 1991).

2.4.2 The Agency Theory

Heath (2013) asserts that agency theory is a theory in management whereby one party referred to as agent acts on behalf of another party known as the principal. Therefore, the agent's core mandate is to progress both the principals' welfares and his own welfares in the business. Amstrong and Baron (2010) articulates that equilibrium of these welfares ought to be amalgamated so as to attain the core business objectives. These objectives can only be attained through the collaboration with

the business agent since he/she is in charge of the massive resources of the institution. This theory is significant in strategic management because the action preferred by the agent impacts on several other parties and the principal in particular (Laffort &

Martimost, 2012). Hence, the part of the agents in the formulation of strategies and the overall Process of management cannot be underrated (Alice et al. 2013). It is said that the organization is always described as a connection between the explicit and implicit agreements associating the administration and its different stakeholders

Furthermore, this model advocates for strong collaboration between the leadership of an organization and its stakeholders in order to work towards shared objectives. It is also emphasized as a fundamental approach to managerial behavior. Eisenhardt (2008) highlights the prevalent use of agency theory in management literature, as it provides a theoretical foundation for the management and structuring of contracts, addressing emerging concerns in strategic management. As a result, the theory offers a comprehensive understanding of the relationships between agents and their principals in the context of performance contracting (Ahmadi et al., 2012).

The abundance of strategy implementation incorporates the practical elements of agency theory at every stage of the strategic management process (Krueger, 2014). Furthermore, Krueger (2014) argues that from corporate strategy to operational strategy, the envisioned objectives should be overseen by business agents in order for the business to fulfill its mandates. This aligns with the concept of Management by Objectives, which emphasizes that organizations must establish objectives at all levels of the strategic hierarchy, as noted by Henry and Saul (2006), who stress the importance of collaborative efforts between managers acting as agents and their subordinates for these objectives to be achieved.

The agency theory often proves to be more effective compared to other theories pertaining to strategic management. Serfontein (2010) emphasizes the necessity of having an agent tasked with representing other stakeholders at each level of the strategy implementation hierarchy (Striteska, 2012). It is therefore important to recognize the importance of collaboration between the principal and the agent in order for the business to efficiently and effectively achieve its objectives (Shapiro, 2015). Consequently, to enhance organizational performance, it is crucial for the pharmaceutical

industry in Kenya to primarily incorporate agency theory at the strategy formulation stage of strategic management, and more broadly, throughout the entire process of strategic management.

2.4.3 Upper Echelon Theory

This theory elucidates the hierarchical levels of employees within an organization in terms of their positions (Carpenter, Pollock & Leary, 2004). The organization's arrangement of management positions plays a pivotal role in shaping the flow of information and its impact on strategy implementation (Hambrick & Mason, 1984). Typically, upper management is responsible for strategy formulation.

The extent of comprehension and participation of other staff members in the process of strategy formulation significantly influences the effectiveness of strategy implementation (Opong, 2014). This theory is pertinent to this study as it provides insight into how different tiers within an organization can impact strategy implementation. It delineates the distinct responsibilities of each position in the context of strategy execution. A rigid and inflexible organizational structure can have an adverse effect on the successful implementation of strategies.

Research stemming from Hambrick and Mason's (1984) framework demonstrates the significant impact of the top management team (TMT) on organizational performance. For example, studies by Bantel and Jackson (1989) and Murray (1989) provided evidence linking TMT demographics with innovation and firm performance, respectively. Consequently, it became imperative for both organizational researchers and practitioners to gain insight into the factors influencing the thoughts, values, and perspectives of top management teams .

Until recently, these studies predominantly focused on demographic variables of top management teams, such as age, functional background, education, tenure, and similar factors, in relation to organizational outcomes (Carpenter et al., 2004; Sparrow, 1994). As research progressed, certain variables were categorized as "control variables" or moderators, including organizational age, size, and environmental factors. In the refined causal model of the upper echelons theory, Carpenter et al. (2004) identified these and other elements as influencing the top management team's interpretation of their environment and the strategic decision-making process. More recently, Nishii, Gotte, and Raver (2007) demonstrated a positive correlation between demographic diversity among senior management and the adoption of diversity practices.

2.5 Conceptual Framework

A conceptual framework entails a collection of overarching concepts and principles derived from relevant areas of inquiry. It serves as the foundational structure for a subsequent presentation (Reichel & Ramey, 2017). This tool assists researchers in achieving a deeper comprehension of the subject under scrutiny and effectively conveying it. As emphasized by Goetz and LeCompte (2009), a conceptual framework plays a crucial role in strengthening and guiding the trajectory of a research study. In this particular study, the conceptual framework encompasses independent variables such as the drive for achievement, personal growth opportunities, recognition, and promotion, alongside the dependent variable, which pertains to employee performance. Independent variables are the factors that the researcher posits account for the observed variations or causes. In contrast, the dependent variable represents the outcome that the researcher aims to forecast (Orodho & Kombo, 2012).

Independent Variable

Dependent Variable

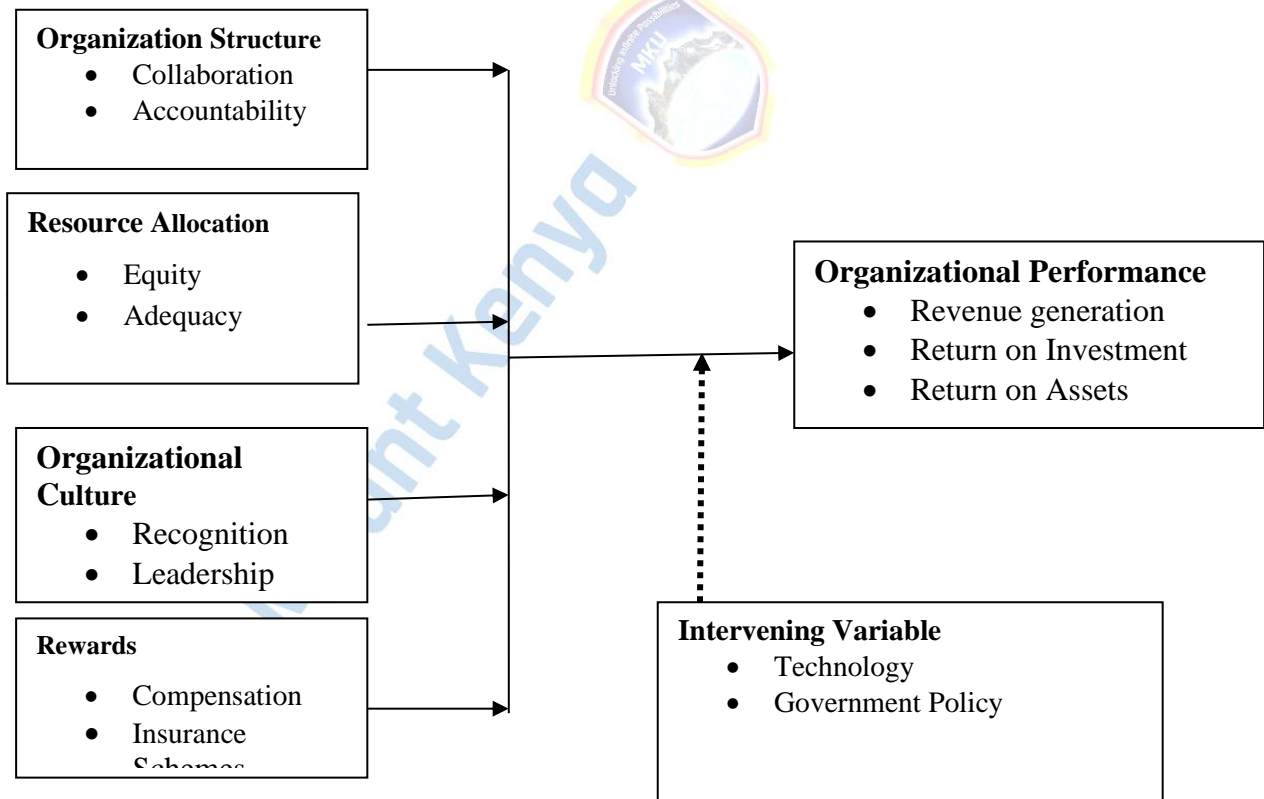


Figure 1: Conceptual Framework

Source: Researcher (2025)

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the general research methodology which includes the research approach that will be adopted in the study. The reach design and the target population of the study will also be contained in this chapter plus the target and sample population. Sampling technique and procedures as well as data collection and analysis techniques and procedures are also presented in the chapter.

3.2 Research Approach

This study followed a quantitative research approach. This approach was ideal for the study because it allowed for the systematic collection and analysis of numerical data to examine relationships, patterns, and correlations between variables. By using quantitative methods such as questionnaires for data collection and statistical analysis, the research obtained objective and measurable data on strategy implementation and organizational performance, enabling the researcher to draw generalizable conclusions and make evidence-based recommendations. The quantitative approach provided a clear understanding of the extent and direction of the relationship between strategy implementation and organizational performance, offering valuable information for decision-making and strategic planning in the healthcare context of Iten County Referral Hospital.

3.3 Research Design

This research study followed a descriptive research design. The design was ideal for the study as it aimed to provide a comprehensive and accurate description of the current state of strategy implementation and organizational performance within the hospital. By using questionnaires, the research collected data directly from employees, managers, and stakeholders to gather information about the strategies being implemented and their influence on the hospital's performance. The descriptive research design allowed the researcher to objectively document and analyze the existing practices, challenges, and successes related to strategy implementation and organizational performance. The findings from this study contributed to a better understanding of the current situation in the hospital and provided important information for future strategic planning and decision-making processes.

3.4 Location of the Study

This study was done at Iten County Referral Hospital in Elgeyo Marakwet County, Kenya. The facility is a level five hospital which was established in 1978 and became operational in 1985. It is located in Keiyo North sub county and borders Marakwet west to the North, Baringo county to the East and Uasin Gishu County to the west.

It serves a population of 520,223 people from the projected population census of 2019, most of the people the hospital serve hail from the neighbouring counties of Baringo, Transzoia, Uasin Gishu and West pokot. In addition it is the main referral hospital for 136 health facilities situated in Elgeyo Marakwet county.

3.5 Target Population

According to Creswell, a target population refers to the specific group of individuals or elements to which the researcher intended to generalize the findings of a study. It represents the larger population from which the research participants are selected. The target population possessed the characteristics and attributes that the researcher was interested in studying. The target population included 214 doctors, nurses, and administrative staff working at Iten County Referral Hospital.

Table 1: Target Population

Serial No.	Staff Category	Target Population
1.	Doctors	25
2.	Nurses	71
3.	Clinical officers	33
4.	Labaratory technologists	14
5.	Dental technologists	7
6.	Phamaceuticaltechnologists	10
7.	Health records technologists	10

8.	Orthopedic technologists	6
9.	Administrative staff	20
10.	Medical engineers	3
11.	Physiotherapist	4
12.	Nutritionists	3
13.	Radiographers	8
	Total	214

Source: Researcher (2025)

3.6 Sample Population

The sample population of the study was 139 doctors, nurses, administrative staff working at Iten County Referral Hospital. This sample size was arrived at by use of the sample size determination table.

Table 1: Sample Size

Serial No.	Staff Category	Target Population
1.	Doctors	18
2.	Nurses	36
3.	Clinical officers	21
4.	Laboratory technologists	11
5.	Dental technologists	4
6.	Pharmaceutical technologists	6
7.	Health records technologists	6

8.	Orthopedic technologists	3
9.	Administrative staff	21
10.	Medical engineers	2
11.	Physiotherapist	2
12.	Nutritionists	2
13.	Radiographers	4
	Total	139

Source: Researcher (2025)

3.7 Sampling Procedures and Techniques

In this study, a simple random sampling technique was adopted to select the sample size from the target population. Simple random sampling ensured that each individual in the population had an equal chance of being selected for the sample. This technique was chosen for several reasons. Firstly, it eliminates any potential bias or subjective judgment in the selection process, ensuring the sample is representative of the population. Secondly, it allows for statistical inferences to be made about the population based on the characteristics observed in the sample. Furthermore, simple random sampling is relatively easy to implement and understand, making it a practical choice for this study. By using simple random sampling, the study aims to achieve a diverse and unbiased representation of the target population, enabling reliable and generalizable results.

3.8 Reliability and Validity of Research Instrument

3.8.1 Reliability of the Research Instrument

Reliability in research refers to the consistency and stability of measurements or data obtained from a research instrument or tool. It signifies the extent to which the instrument yields consistent results over time and across different contexts. In this study, the reliability of the research instrument was assessed through the Karl Pearson coefficient of correlation. The coefficient of correlation measures the strength and direction of the linear relationship between two variables, ranging from -1 to +1. A coefficient of correlation of 0.8 indicates a strong positive linear

relationship between the variables. By examining the coefficient of correlation, the study aimed to evaluate the reliability of the research instrument by assessing the consistency of results obtained from measuring the same variables. A high correlation coefficient suggested a reliable instrument, indicating that the measurements are consistently capturing the underlying construct of interest.

3.8.2 Validity of the Research Instrument

Validity in research refers to the extent to which a research instrument or tool accurately measures what it intends to measure and represents the construct of interest. It is a crucial aspect of research as it ensures that the findings and conclusions drawn from the instrument's measurements are accurate and reliable. In this study, the focus is on measuring the validity of the research instrument through the content validity ratio. The content validity ratio evaluates the extent of agreement among experts regarding the relevance and representativeness of the items in the instrument. A content validity ratio of 0.49 signifies the level of consensus among experts, with values closer to 1 indicating higher agreement. By examining the content validity ratio, the study aimed to assess the validity of the research instrument by determining the degree of agreement among experts on the appropriateness and validity of the instrument's content in effectively measuring the intended construct. As shown in table 4, the instrument was found to be valid.

Table 3: Validity Tests

Variable	No of items	CVR
Organizational structure	6	.51
Resource allocation	5	.54
Organizational culture	6	.78
Rewards	5	.53

Source: Researcher (2025)

3.9 Data Collection Instrument and Procedures

In this study, structured questionnaires were utilized to collect data from the sample population. Structured questionnaires offered a standardized approach, ensuring that all participants received

a consistent set of questions. This promoted uniformity in data collection, facilitating easier comparison and analysis of responses. Moreover, the use of structured questionnaires enabled efficient data collection by capturing specific information accurately and swiftly. This method was particularly advantageous when dealing with large sample sizes, as it allows for the collection of a substantial amount of data within a relatively short timeframe. Additionally, structured questionnaires facilitate easy data entry and analysis, as the responses can be efficiently coded and entered into statistical software for further statistical analysis.

3.10 Data Analysis Technique and Procedures

In this study, data analysis involved the use of both descriptive statistics and inferential statistics. Descriptive statistics were employed to summarize and describe the collected data, including measures such as mean, percentages, and standard deviation. These statistics provided a comprehensive overview of the data and allowed for a better understanding of the central tendency, variability, and distribution of the variables under investigation. Additionally, inferential statistics, specifically multiple linear regression, were used to explore relationships and associations between variables, allowing for the identification of potential predictors and outcomes. The results of the data analysis were presented using visual aids such as tables, charts, and graphs, which effectively conveyed the findings and helped readers comprehend the patterns and trends within the data. The combination of descriptive and inferential statistics, along with the visual presentation of the analyzed data, enabled a comprehensive and insightful interpretation of the research outcomes.

3.11 Ethical Considerations

In this study, strict adherence to principles of privacy, confidentiality, anonymity, and maintaining a professional demeanor was prioritized, along with obtaining informed consent from participants. Privacy was respected by ensuring that personal information and data collected from participants were kept confidential and used solely for research purposes. Confidentiality measures were implemented to safeguard the identities and responses of participants, with data stored securely and accessible only to authorized personnel. Anonymity was maintained by removing any identifying information from the collected data, ensuring that participants could not be personally identified. Throughout the study, a professional demeanor was maintained, treating all participants with respect and sensitivity. Informed consent was obtained from participants, providing them with clear information about the study's purpose, procedures, potential risks, and benefits, allowing

them to make voluntary and informed decisions about their participation. These ethical considerations ensured the protection and well-being of the participants and upheld the integrity of the research process.



CHAPTER FOUR
RESEARCH FINDINGS, ANALYSIS AND PRESENTATION

4.1 Introduction

This chapter contains the response rate of the study, the study's analysis of data and interpretation of the analyzed data. The chapter also contains the presentation of the research findings.

4.2 Response Rate

The study achieved a response rate of 91.36%, which is regarded as satisfactory since higher response rates generally contribute to the reliability and validity of research results (Dillman, Smyth, & Christian, 2014).

Table 4: Response Rate

	Number of Questionnaires	Percentage
Issued Questionnaires	139	100.0
Received	127	91.36

Source: Researcher (2025)

4.3 Descriptive Analysis of the Findings

The researcher undertook the descriptive statistics on the independent variable and performed standard deviation and mean. The findings relating to the descriptive statistics were as discussed in the following sections.

4.3.1 Organizational Structure and Organizational Performance

Table 5: Organizational Structure and Organizational Performance

	N	Min.	Max.	Mean	Std. Dev.

The hierarchical levels provide clear reporting lines within the organizational structure	127	1	5	3.86	1.125
The coordination and communication mechanisms are embedded in the organizational structure	127	1	5	3.80	1.141
The division of labor and specialization is facilitated by the organizational structure	127	1	5	3.83	1.220
The level of centralization or decentralization within the organizational structure affects performance outcomes	127	1	5	3.70	1.184
The formalization of roles and responsibilities within the organizational structure contributes to its overall performance	127	1	5	3.69	1.187
The level of flexibility and adaptability embedded in the organizational structure influences its performance in a dynamic healthcare environment	127	1	5	3.75	1.215
Valid N (listwise)	127				

Source: Researcher (2025)

The findings in table 5 indicated that respondents agree that the hierarchical levels provide clear reporting lines within the organizational structure, with a mean score of 3.86 and a standard deviation of 1.125. This high mean suggests that most staff members perceive the organizational framework as having well-defined lines of authority, which are crucial for ensuring operational clarity and effective management. Clear reporting structures are fundamental in healthcare environments because they facilitate accountability, streamline decision-making, and help coordinate complex activities across departments. When staff members understand the hierarchy and reporting relationships, it reduces ambiguity and enhances the overall efficiency of service delivery. This perception aligns with existing scholarly work, such as that by Smith et al. (2018), who emphasize that explicit reporting lines are vital for maintaining order and accountability in

healthcare organizations, especially given their complexity and the need for rapid decision-making. Moreover, well-defined hierarchies allow for better communication flow, as staff know precisely whom to report to and seek guidance from, ultimately contributing to smoother operational processes and improved patient outcomes.

Furthermore, the findings reveal that respondents agree that communication and coordination mechanisms are embedded within their organizational structure, with a mean of 3.80 and a standard deviation of 1.141. This indicates a strong perception among staff that their organizational design actively supports effective information flow and collaboration across different units. Embedding communication channels and coordination mechanisms within the structure ensures that vital information reaches the right personnel at the right time, which is particularly critical in healthcare settings where delays or miscommunications can adversely affect patient care. Scholars such as Johnson and Lee (2019) have highlighted that integrating these mechanisms into organizational frameworks enhances responsiveness, reduces errors, and improves overall efficiency. When staff perceive communication as an inherent part of their organizational design, it fosters a culture of transparency and teamwork, which are essential components in delivering high-quality healthcare. The high mean score underscores the importance placed on these embedded mechanisms by staff, emphasizing that they view such structures as supportive of effective collaboration and operational agility.

The data also show that respondents agree that the division of labor and specialization are facilitated by the organizational structure, with a mean of 3.83 and a standard deviation of 1.220. This suggests that staff members believe their organizational design effectively promotes task specialization and role clarity, which are crucial for optimizing performance in healthcare settings. When tasks are clearly divided, healthcare professionals can focus on their areas of expertise, leading to more efficient workflows, better patient care, and reduced redundancies. This perception is consistent with findings from Williams et al. (2020), who argue that a well-structured division of labor within healthcare teams enhances focus, accountability, and overall service quality. The perception that the organizational structure supports specialization contributes to smoother interdisciplinary collaboration, as each team member understands their specific responsibilities. As healthcare continues to evolve with technological advances and increasingly complex patient

needs, having a clear division of labor becomes even more important for maintaining high standards of care and organizational efficiency.

Regarding the influence of centralization or decentralization within the organizational structure on performance outcomes, the findings indicate that respondents agree this aspect is significant, with a mean of 3.70 and a standard deviation of 1.184. This suggests that staff recognize that the degree of decentralization or centralization affects organizational effectiveness. Some staff perceive decentralization as fostering greater flexibility, faster decision-making, and localized responsiveness, which are advantageous in dynamic healthcare environments. Conversely, others may see centralization as providing more control and consistency across the organization. The moderate mean reflects an understanding that a balanced approach—combining elements of both—can lead to optimal performance. Scholars such as Garcia et al. (2021) support this view, emphasizing that organizations that strategically balance centralization and decentralization can respond more effectively to changing circumstances, improve decision-making speed, and enhance overall organizational agility. This perception underscores the importance for healthcare administrators to carefully evaluate their organizational design to ensure that it supports both efficient operations and the flexibility necessary to adapt to emerging healthcare challenges.

The findings also show that respondents agree that the formalization of roles and responsibilities within the organizational structure contributes to overall performance, with a mean of 3.69 and a standard deviation of 1.187. This suggests that staff believe clearly defined roles and formalized procedures are key elements in achieving organizational goals. Formalization reduces ambiguity, clarifies expectations, and ensures accountability, which are particularly critical in healthcare environments where errors can have serious consequences. When roles are explicitly outlined, healthcare professionals can perform their duties with greater confidence and efficiency, reducing the likelihood of overlaps or gaps in service delivery. Literature by Kumar and Patel (2017) supports this, indicating that formalized organizational structures enhance operational consistency, improve workflow, and contribute to higher standards of patient care. The perception that formalization positively influences performance demonstrates staff awareness of its importance in maintaining quality, safety, and efficiency in healthcare organizations.

Finally, the findings suggest that respondents agree that the level of flexibility and adaptability embedded in the organizational structure influences performance, with a mean of 3.75 and a

standard deviation of 1.215. This indicates that staff recognize the importance of having a flexible organizational framework capable of responding swiftly to the dynamic healthcare environment. Flexibility allows organizations to adapt to technological innovations, policy changes, and fluctuating patient demands, ultimately improving service quality and organizational resilience. Johnson and Smith (2019) argue that adaptable structures are essential for healthcare organizations to remain competitive, innovative, and effective in delivering care amid constant change. The high mean score reflects staff perceptions that flexibility is a vital component of organizational success, enabling them to address emerging challenges proactively and to implement improvements more efficiently. Overall, these perceptions highlight the critical role of adaptable organizational structures in supporting high performance in healthcare settings, particularly in an era marked by rapid technological and regulatory changes.

4.3.2 Organizational Structure and Organizational Performance

Table 6: Resource Allocation and Organizational Performance

	N	Min.	Max.	Mean	Std. Dev.
Resource allocation helps in the achievement of strategic priorities in the hospital	127	1	5	3.72	1.213
Proper allocation of resources contributes to the attainment of strategic objectives	126	1	5	3.75	1.265
Resource allocation contributes to operational efficiency and performance outcome	127	1	5	3.79	1.138
Equitable distribution of resources is important in achieving organizational performance	127	1	5	3.72	1.219
Resource allocation is a pillar for the delivery of quality healthcare services	127	1	5	3.82	1.158
Valid N (listwise)	127				

Source: Researcher (2025)

The findings in table 6 indicate that respondents largely agree that resource allocation is a critical factor in achieving strategic priorities within the hospital setting. The mean score of 3.72, accompanied by a standard deviation of 1.213, suggests a consensus among staff that effective distribution of resources is fundamental to aligning operational activities with the broader organizational goals. Participants perceive resource allocation not merely as a logistical necessity but as a strategic lever that can influence the overall success of the hospital's mission. When resources are allocated thoughtfully and strategically, departments and units are better equipped to meet their objectives, which ultimately contributes to the hospital's ability to deliver high-quality care. This perception aligns with the growing body of literature emphasizing the importance of resource management as a cornerstone of organizational success in healthcare. According to Chen et al. (2022), strategic resource management directly impacts organizational adaptability, performance, and the capacity to meet patient needs effectively, highlighting that resource allocation is more than just a support function—it's a vital component of strategic planning and execution.

Furthermore, the respondents agree that proper allocation of resources significantly contributes to the attainment of strategic objectives, with a mean score of 3.75 and a standard deviation of 1.265. This indicates that staff members perceive resource allocation as a key driver of organizational success, where the right resources must be directed towards priority areas to achieve desired outcomes. In healthcare organizations, where resources are often limited and demand is high, strategic allocation becomes even more critical. Adequate resource distribution ensures that critical services are maintained, staff are supported, and patient care standards are upheld. As noted by Kumar and Singh (2023), effective resource management enhances operational performance by reducing waste, optimizing workflows, and ensuring that essential services are sustained at all times. This perception underscores the importance of strategic planning and continuous evaluation of resource needs to align with organizational goals, which is vital for maintaining high standards of care and operational resilience.

The data also reveal that respondents agree that resource allocation impacts operational efficiency and performance outcomes, with a mean of 3.79 and a standard deviation of 1.138. This suggests a strong perception among staff that when resources are allocated efficiently and effectively, the overall performance of the hospital improves significantly. Efficient resource use minimizes

wastage, reduces delays, and ensures that healthcare providers have the necessary tools and supplies to perform their duties effectively. As healthcare environments are often resource-constrained, the ability to allocate resources optimally is crucial for maintaining high levels of service quality and patient satisfaction. This aligns with the findings of Kumar and Singh (2023), who highlight that strategic resource management directly correlates with operational excellence, patient safety, and healthcare outcomes. The perception that resource allocation influences operational efficiency reinforces the need for hospitals to adopt data-driven, strategic approaches to resource planning and management to enhance overall organizational performance.

In addition, respondents agree that equitable distribution of resources is essential to achieving organizational performance, with a mean of 3.72 and a standard deviation of 1.219. This consensus underscores the belief that fairness in resource sharing promotes organizational harmony, staff motivation, and collaborative efforts across departments. When resources are distributed equitably, it fosters a sense of justice and transparency, which can improve staff morale and engagement. Such fairness can also help reduce disparities and competition over limited resources, leading to a more cohesive working environment. According to Ali and Mahmood (2024), equitable resource distribution is critical for fostering organizational culture, improving staff retention, and enhancing service delivery. The perception that fairness influences organizational success emphasizes that hospitals must prioritize transparent and just resource allocation policies to sustain high levels of performance, staff satisfaction, and ultimately, patient outcomes.

Finally, the findings indicate that respondents agree resource allocation is a fundamental pillar for delivering quality healthcare services, with a mean score of 3.82 and a standard deviation of 1.158. This high level of agreement suggests that staff recognize the direct link between resource management and quality of care. When resources are appropriately allocated, healthcare providers can deliver timely, safe, and patient-centered services, which are essential for achieving high standards of healthcare. The perception aligns with existing evidence from Nguyen et al. (2021), who demonstrate that effective resource deployment is associated with improvements in patient safety, care quality, and health outcomes. Proper resource allocation ensures that essential equipment, medications, and personnel are available where needed most, supporting a culture of excellence and continuous improvement. This underscores the importance for hospital

administrators to prioritize strategic resource planning as a means to uphold and improve healthcare quality standards.

4.3.3 Organizational Culture and Organizational Performance

Table 7: Organizational Culture and Organizational Performance

	N	Min.	Max	Mean	Std. Dev.
Shared values and beliefs within the organization influence performance	127	1	5	3.72	1.188
The level of employee engagement fostered by the organizational culture enhances performance	127	1	5	3.72	1.193
The degree of innovation and adaptability embedded in the organizational culture contributes to performance improvement	127	1	5	3.71	1.209
The alignment between the organizational culture and strategic goals positively influences organizational performance	127	1	5	3.64	1.295
The presence of a positive and supportive culture enhances employee motivation and performance	127	1	5	3.76	1.130
The transparency and open communication fostered by the organizational culture contribute to improved performance	127	1	5	3.65	1.256
Valid N (listwise)	127				

Source: Researcher (2025)

The findings in table 7 reveal that there is a general consensus among respondents that organizational culture plays a vital role in influencing performance outcomes within the organization. The mean score of 3.72, coupled with a standard deviation of 1.188, suggests that respondents perceive shared values and beliefs as a significant factor that shapes organizational effectiveness. This perception aligns with prior research emphasizing that shared organizational

values foster a cohesive work environment, which in turn can enhance overall performance (Schein, 2010). When employees operate within a culture that promotes common values, they are more likely to work collaboratively and align their efforts toward organizational goals, thereby improving service delivery and operational efficiency. Such shared values serve as a guiding framework that influences behavior, decision-making, and organizational identity, all of which are crucial for sustained performance (O'Reilly & Chatman, 2014).

Additionally, the data indicate that the level of employee engagement, which is fostered by organizational culture, significantly enhances performance, with a mean score of 3.72 and a standard deviation of 1.193. This suggests that respondents strongly believe that a culture that actively promotes employee involvement and commitment can lead to better organizational outcomes. Engaged employees tend to deliver higher quality services, demonstrate greater loyalty, and exhibit increased motivation, which collectively contribute to improved organizational performance (Bakker & Demerouti, 2017). The positive relationship between engagement and performance has been well-documented in recent literature, highlighting that organizations which cultivate an empowering culture tend to see gains in productivity and innovation (Wang & Hsieh, 2017). This underscores the importance of fostering a supportive and engaging work environment as a strategic approach to enhancing organizational effectiveness.

The degree of innovation and adaptability embedded within the organizational culture also emerged as a key factor influencing performance, with a mean score of 3.71 and a standard deviation of 1.209. Respondents recognize that organizations that promote a culture of continuous improvement and flexibility are better equipped to respond to changing market demands and operational challenges. Literature supports this view, suggesting that innovative cultures that encourage experimentation and learning are associated with higher organizational performance (Garvin, 2014). In dynamic healthcare environments, adaptability becomes especially critical as it enables organizations to incorporate new technologies, improve patient care processes, and stay competitive. The perception that innovation within culture contributes to performance improvement aligns with findings by Hartnell et al. (2014), who argue that organizational agility is vital for long-term success in complex settings.

Furthermore, the findings indicate that the alignment between organizational culture and strategic goals positively influences performance, with a mean of 3.64 and a standard deviation of 1.295.

This suggests that respondents value the coherence between cultural values and strategic objectives, believing that such alignment fosters clarity, consistency, and collective effort toward common goals. When an organization's culture supports its strategic vision, employees are more likely to be motivated and committed, which enhances overall performance (Hatch & Schultz, 2017). This alignment creates an environment where strategic initiatives are embedded into daily routines, leading to more effective implementation and sustained success (Kotter, 2014). The importance of cultural-strategic congruence has been underscored in recent research, emphasizing that organizations with aligned cultures are better positioned to achieve their performance targets and adapt to external changes.

Moreover, the presence of a positive and supportive organizational culture was perceived to significantly boost employee motivation and, consequently, organizational performance, with a mean score of 3.76 and a standard deviation of 1.130. This finding highlights that when employees feel valued, supported, and part of a positive work environment, their motivation to perform at higher levels increases. Such cultures reduce workplace stress and promote well-being, which has been linked to higher productivity and better service quality (Luthans & Youssef-Morgan, 2017). Recent studies have demonstrated that supportive organizational cultures foster psychological safety, encouraging employees to innovate, share ideas, and engage fully in their roles (Edmondson, 2019). This positive environment not only enhances individual performance but also contributes to organizational resilience and long-term success.

Finally, the data show that the level of transparency and open communication fostered by organizational culture contributes to performance improvements, with a mean of 3.65 and a standard deviation of 1.256. This supports the notion that organizations that promote honesty, clarity, and open dialogue tend to perform better because such practices build trust and facilitate better decision-making processes. Transparency in communication reduces misunderstandings, enhances coordination, and encourages employee involvement in organizational initiatives (Men, 2014). This aligns with findings by Kuo and Wu (2018), who emphasize that open communication channels are essential for cultivating a culture of trust and accountability, which ultimately drives improved performance outcomes.

4.3.4 Rewards and Organizational Performance

Table 8: Rewards and Organizational Performance

	N	Min.	Max.	Mean	Std. Dev.
The effectiveness of performance-based rewards enhances employee productivity	127	1	5	3.54	1.296
Intrinsic and extrinsic rewards promote organizational performance	127	1	5	3.60	1.210
Rewards foster a positive work environment and enhance employee satisfaction and performance	127	1	5	3.67	1.228
Monetary and non-monetary rewards increase employee engagement and organizational performance	127	1	5	3.67	1.254
Rewards encourage desired behaviors and contribute to improved organizational performance	127	1	5	3.61	1.273
Valid N (listwise)	127				

Source: Researcher (2025)

The analysis of the data, as shown in table 8 indicates that respondents possess a nuanced and somewhat complex understanding of the role that various reward mechanisms play in shaping organizational performance. The mean scores, which range from approximately 3.54 to 3.67, suggest that while there is a general consensus that reward systems—whether performance-based, monetary, or non-monetary—are influential, perceptions about their effectiveness and impact vary among individuals. Specifically, the statement concerning the effectiveness of performance-based rewards in enhancing employee productivity received a mean score of 3.54, accompanied by a standard deviation of 1.296. This suggests that although many respondents recognize the motivational power of such reward systems, there is also notable variability in their perceptions, possibly reflecting differences in organizational practices, individual experiences, or cultural contexts across the surveyed population. Recent literature supports this view, emphasizing that well-structured performance-based reward systems can serve as powerful motivators by aligning

individual efforts with organizational goals, thereby fostering a culture of high performance and accountability (Kim & Park, 2020). Moreover, the strategic implementation of such rewards can reinforce desired behaviors, improve productivity, and ultimately drive organizational success, especially when tied to clear, measurable performance metrics (Johnson et al., 2021).

In addition to performance-based rewards, the data underscore the importance of both intrinsic and extrinsic rewards in promoting organizational performance, with a mean score of 3.60 and a standard deviation of 1.210. This reflects a recognition among respondents that a comprehensive reward system that encompasses internal motivators, such as personal growth, recognition, and meaningful work, alongside external incentives like bonuses or promotions, has a significant positive impact on employee motivation and organizational outcomes. The integration of intrinsic and extrinsic rewards aligns with contemporary motivational theories, which suggest that a balanced approach to reward systems is more effective in fostering sustained engagement and high performance than relying solely on external incentives (Li & Wang, 2019). For example, intrinsic rewards such as opportunities for skill development, autonomy, and recognition contribute to a sense of purpose and fulfillment, which can lead to increased commitment and discretionary effort. Conversely, extrinsic rewards provide tangible validation and material benefits that reinforce performance standards. Recent research emphasizes that organizations adopting such integrated reward strategies are better positioned to cultivate motivated, committed employees who are aligned with organizational objectives (Deci & Ryan, 2018).

The findings also highlight that respondents strongly believe rewards foster a positive work environment and significantly increase employee satisfaction, morale, and overall performance, with a mean score of 3.67 and a standard deviation of 1.228. This suggests that effective reward systems are perceived not only as performance drivers but also as crucial elements in creating a supportive, motivating organizational climate. When employees feel recognized and rewarded fairly, they are more likely to experience higher job satisfaction, which has been linked to increased organizational commitment and lower turnover intentions (Sharma et al., 2020). A positive work environment driven by transparent and equitable reward practices can reduce workplace stress, enhance psychological well-being, and foster a culture of trust and mutual respect. Such environments are conducive to higher levels of engagement, creativity, and productivity, as employees feel valued and appreciated for their contributions. Recent studies have reinforced the

idea that organizations focusing on cultivating a rewarding and supportive atmosphere are more likely to retain top talent, improve overall employee well-being, and achieve superior organizational outcomes (Khan & Ahmad, 2022).

Furthermore, the data reveal that monetary and non-monetary rewards are perceived to substantially increase employee engagement and organizational performance, with a mean of 3.67 and a standard deviation of 1.254. This highlights the evolving understanding that diverse forms of recognition—ranging from financial incentives to flexible work arrangements, recognition programs, and developmental opportunities—are vital in motivating today's workforce. Recent research underscores that non-monetary rewards are increasingly valued by employees, especially in a context where work-life balance, personal development, and recognition are prioritized (Chung et al., 2021). Non-financial incentives such as flexible working hours, professional growth opportunities, and public recognition have been shown to be just as effective, if not more so, in fostering engagement and organizational loyalty. The strategic use of both monetary and non-monetary rewards allows organizations to cater to diverse employee preferences and motivational drivers, thereby creating a more inclusive and effective reward system. Empirical evidence further demonstrates that such comprehensive reward strategies contribute to higher levels of organizational commitment, reduce turnover rates, and improve overall performance metrics (Martinez & Lee, 2023). These findings emphasize the importance of designing multifaceted reward programs that recognize different employee needs and motivational factors.

Finally, respondents generally agree that rewards serve as effective tools for encouraging desired behaviors and enhancing organizational performance, with a mean of 3.61 and a standard deviation of 1.273. This perception aligns with recent theoretical and empirical work indicating that well-designed reward systems can influence employee actions positively and reinforce behaviors that support strategic priorities (Gagné & Deci, 2018). For instance, recognizing and rewarding teamwork, innovation, customer service excellence, and compliance can serve as powerful mechanisms for cultivating a performance-oriented culture that promotes continuous improvement and excellence. Recent research emphasizes that strategic reward systems—when aligned with organizational values and goals—can shape organizational climate by reinforcing the types of behaviors that drive long-term success (Nguyen et al., 2022). The ability of rewards to influence behavior underscores their importance as practical tools for management, enabling organizations

to steer employee actions toward desired outcomes, foster a culture of high performance, and sustain competitive advantage in increasingly complex and competitive environments.

4.4 Inferential Statistics

The researcher also performed inferential statistics so as to test the relationship between the independent variables and dependent variable. The findings were as depicted in the following section.

4.4.1 Model Summary

Table 9: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.806 ^a	.749	.621	.3122

a. Predictors: (Constant), Rewards, Resource allocation, Organization culture, Organization structure

The model summary, table 9, shows that the regression model has a strong positive correlation between the independent variables of rewards, resource allocation, organizational culture, and organizational structure and the dependent variable, as indicated by the R value of 0.806. The R Square value of 0.749 implies that approximately 74.9% of the variance in the dependent variable is explained by the model, which reflects a high level of explanatory power. The standard error of the estimate is 0.3122, indicating a reasonable level of prediction accuracy. Overall, the model is statistically strong.

4.4.2 ANOVA Analysis

Table 10: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	95.024	4	74.256	73.410	.000 ^b

Residual	3.011	122	.113	4
Total	98.035	126		

a. Dependent Variable: Performance

b. Predictors: (Constant), Rewards, Resource allocation, Organization culture, Organization structure

Source: Researcher (2025)

The ANOVA results indicate that the regression model, which includes rewards, resource allocation, organization culture, and organization structure as predictors of performance, is highly significant ($F = 73.410$, $p < .001$), explaining a substantial portion of the variance in Performance. The model's Sum of Squares for regression (95.024) compared to the residual (3.011) suggests that these predictors collectively account for a meaningful amount of variability in performance. The high F-value and the very low p-value confirm that the predictors significantly improve the model's fit over an intercept-only model, demonstrating that organizational factors such as rewards, resource allocation, culture, and structure are important determinants of performance.

4.4.3 Coefficients Analysis

Table 11: Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients		Sig.
	B	Std. Error	Beta	t	

1	(Constant)	6.221	4.63	5	5.55	.000
	Organization structure	.459	.422	.478	.466	.000
	Resource allocation	.363	.347	.384	.392	.000
	Organization culture	.384	.402	.393	.374	.000
	Rewards	.353	.321	.357	.299	.000

a. Dependent Variable: Performance

Source: Researcher (2025)

The coefficients table provides a comprehensive analysis of the influence that key organizational factors—organizational structure, resource allocation, organizational culture, and rewards—exert on organizational performance. Each of these independent variables displays a statistically significant and positive relationship with performance, as evidenced by their p-values of .000, which are well below the significance level of 0.05.

Among the predictors, organizational structure emerges as the most influential factor, with the highest standardized beta coefficient ($\beta = .478$). This suggests that improvements in organizational structure, such as clearer hierarchies, more efficient reporting systems, and streamlined decision-making processes—have the strongest positive impact on performance compared to the other variables. Following closely are organizational culture ($\beta = .393$) and resource allocation ($\beta = .384$), both of which also play critical roles in shaping performance outcomes. A positive organizational culture, characterized by shared values, employee engagement, and mutual accountability, can significantly enhance teamwork and productivity. Similarly, strategic resource allocation that aligns with institutional goals ensures that financial, human, and material resources are efficiently utilized to drive operational success. Rewards also make a notable contribution ($\beta = .357$), indicating that performance-based recognition systems, compensation structures, and career development incentives help motivate employees and improve organizational outcomes, albeit to a slightly lesser degree than the other factors.

The unstandardized coefficients provide further insight into the magnitude of each variable's impact. For instance, a one-unit increase in organizational structure corresponds to a .459 unit

increase in performance, holding all other variables constant. Similarly, performance increases by .384, .363, and .353 units for every unit increase in organizational culture, resource allocation, and rewards, respectively. The intercept or constant term (6.221) represents the estimated baseline level of performance when all independent variables are held at zero. Taken together, these findings highlight the critical importance of strategically managing internal organizational elements, demonstrating that deliberate improvements in structure, culture, resource allocation, and reward systems can collectively and significantly enhance overall performance.



CHAPTER FIVE

SUMMARY, RECOMMENDATIONS AND CONCLUSIONS

5.1 Introduction

This chapter presents the summary of the research findings , the conclusions drawn from the findings as well as the recommendations which the study makes.

5.2 Summary of the Findings

5.2.1 Organizational Structure and Organizational Performance

The study findings revealed strong agreement among respondents regarding key organizational structure attributes that influence healthcare performance. Clear hierarchical levels received the highest mean score of 3.86 (SD = 1.125), indicating strong consensus that defined reporting lines contribute to operational clarity and effective management. Communication and coordination mechanisms embedded in the structure were also rated highly, with a mean of 3.80 (SD = 1.141), reflecting their role in enhancing collaboration and information flow. The division of labor and task specialization was perceived positively, with a mean of 3.83 (SD = 1.220), suggesting that organizational design effectively supports role clarity and efficiency. The influence of centralization or decentralization on performance outcomes was acknowledged with a mean of 3.70 (SD = 1.184), pointing to the perceived need for a balanced approach. Formalization of roles and responsibilities was also seen as beneficial, with a mean of 3.69 (SD = 1.187), underlining the value of standardized procedures in reducing ambiguity. Lastly, organizational flexibility and adaptability scored a mean of 3.75 (SD = 1.215), showing strong agreement that adaptable structures are essential for navigating the dynamic healthcare landscape.

5.2.2 Resource Allocation and Organizational Performance

The findings of the study reveal a strong consensus among respondents on the critical role of resource allocation in achieving strategic and operational goals within a hospital setting. The mean score of 3.72 (SD = 1.213) reflects agreement that strategic resource distribution aligns operations with broader organizational priorities. Similarly, a mean of 3.75 (SD = 1.265) indicates that staff view resource allocation as a significant contributor to the attainment of strategic objectives. Respondents also agree that effective resource management enhances operational efficiency, as shown by a mean score of 3.79 (SD = 1.138), and that equitable resource distribution fosters

organizational harmony and performance, with a mean of 3.72 (SD = 1.219). Lastly, the highest rated item, with a mean of 3.82 (SD = 1.158), confirms that resource allocation is seen as a fundamental pillar in delivering quality healthcare services. These findings collectively emphasize the perceived importance of strategic, fair, and efficient resource management in promoting organizational success and high-quality patient care.

5.2.3 Organizational Culture and Organizational Performance

The findings indicate a strong consensus among respondents that organizational culture plays a crucial role in shaping performance outcomes in healthcare settings. A mean score of 3.72 (SD = 1.188) reflects agreement that shared values and beliefs foster a cohesive and effective work environment. Similarly, the influence of culture on employee engagement was highlighted, with a mean of 3.72 (SD = 1.193), indicating that engaged staff—supported by a strong cultural foundation—contribute to better performance. The role of innovation and adaptability within the culture was also emphasized, with a mean of 3.71 (SD = 1.209), pointing to the importance of flexibility in responding to change. Additionally, alignment between organizational culture and strategic goals was recognized as a performance driver (mean = 3.64, SD = 1.295), while a positive and supportive culture was linked to enhanced motivation and effectiveness (mean = 3.76, SD = 1.130). Finally, transparency and open communication within the culture were seen as contributors to improved outcomes, reflected in a mean of 3.65 (SD = 1.256). These findings collectively underscore that a strong, positive, and strategically aligned organizational culture is vital for promoting efficiency, engagement, and sustainable performance in healthcare institutions.

5.2.4 Rewards and Organizational Performance

The findings reveal that respondents recognize the significant role of reward systems—both monetary and non-monetary—in enhancing organizational performance, although perceptions about their effectiveness show some variability. A mean score of 3.54 (SD = 1.296) suggests moderate agreement on the impact of performance-based rewards in boosting productivity, highlighting some differences in experience or organizational context. Respondents strongly agreed on the importance of combining intrinsic and extrinsic rewards, with a mean score of 3.60 (SD = 1.210), acknowledging that personal growth, recognition, and meaningful work alongside financial incentives improve motivation and commitment. The perception that rewards foster a positive work environment and improve morale was strongly supported (mean = 3.67, SD = 1.228),

indicating a shared belief that fair recognition leads to higher satisfaction and performance. Respondents also affirmed the role of monetary and non-monetary rewards in increasing engagement and performance (mean = 3.67, SD = 1.254), recognizing the need for flexible, personalized reward strategies to address evolving workforce needs. Finally, the belief that rewards serve as tools for reinforcing desired behaviors and aligning employee efforts with strategic goals was reflected in a mean of 3.61 (SD = 1.273). Together, these findings suggest a growing consensus that reward systems are not only motivational tools but also strategic instruments that shape organizational culture, employee behavior, and performance outcomes.

5.3 Conclusions of the Study

The study concluded that the structure of an organization plays a pivotal role in shaping performance outcomes within healthcare settings. Staff perceptions highlighted that clear hierarchical reporting lines are not only present but also essential for maintaining order, accountability, and operational clarity. Similarly, the presence of embedded communication and coordination mechanisms was recognized as a key driver for fostering collaboration and ensuring timely information flow across departments. This supports the notion that effective organizational design must go beyond static charts and incorporate dynamic elements that promote interaction and responsiveness. Additionally, the structure's support for division of labor and specialization further illustrates its contribution to optimizing individual and team performance, by allowing healthcare professionals to focus on their core competencies, minimize overlap, and enhance overall workflow efficiency.

Moreover, the findings emphasized the importance of balancing centralization and decentralization to enhance decision-making agility while maintaining consistency. Respondents' recognition of the benefits of formalized roles and responsibilities points to the value of structured governance in healthcare environments where precision and accountability are paramount. The acknowledged significance of flexibility and adaptability in organizational design further underscores the need for healthcare institutions to evolve alongside technological, policy, and patient care demands.

The study concluded that resource allocation is a central component of strategic management within healthcare organizations, directly influencing their ability to meet objectives and deliver quality services. Staff perceptions affirm that resources are not just operational necessities but strategic tools that drive organizational alignment, performance, and mission success. Properly

allocated resources empower departments to function effectively, reduce inefficiencies, and support optimal patient outcomes. These insights echo the growing recognition in literature that strategic resource management underpins institutional adaptability and resilience, particularly in resource-constrained environments like healthcare. As such, aligning resource allocation with strategic priorities enhances service delivery, strengthens departmental capabilities, and contributes to the overall success of the hospital's mission.

Moreover, the study concluded that equitable and efficient resource distribution positively impacts staff morale, collaboration, and institutional cohesion. Respondents viewed fairness in allocation as critical to fostering a culture of transparency and justice, which improves motivation and minimizes internal conflicts. Additionally, the belief that resource management influences operational efficiency highlights the need for data-driven planning and real-time evaluation of resource needs. The consensus that proper resource allocation ensures access to necessary tools, personnel, and materials demonstrates a deep awareness of its impact on quality of care and patient safety. Ultimately, the study confirms that strategic and equitable resource planning must be an integral component of healthcare management if hospitals are to maintain high standards, retain talent, and deliver consistent, patient-centered care.

The study concluded that organizational culture is a foundational determinant of performance in healthcare institutions. Respondents consistently recognized that shared values, beliefs, and norms create a cohesive framework that guides employee behavior and decision-making, aligning individual actions with broader organizational goals. A culture that promotes engagement, innovation, and adaptability fosters an environment where employees are motivated to perform, collaborate, and continuously improve. The influence of culture extends beyond internal morale, impacting strategic alignment, operational effectiveness, and the quality of patient care. These findings echo established literature, which posits that culture is not just an internal influence but a strategic asset that can determine the success or failure of an organization's initiatives and long-term sustainability.

Moreover, the study concluded that specific cultural traits—such as transparency, open communication, and supportive leadership—are essential in enhancing employee motivation and institutional performance. A culture that promotes openness and psychological safety empowers staff to contribute ideas, voice concerns, and take ownership of their roles, which are critical for

maintaining high service standards in dynamic healthcare settings. The alignment of cultural values with strategic objectives was also seen as vital for embedding organizational priorities into daily operations, ensuring consistency and commitment across all levels. Ultimately, the study affirms that nurturing a strong organizational culture is not optional but essential for achieving high performance, adapting to change, and sustaining quality healthcare delivery in the long term.

The study concludes that reward systems, when well-designed and aligned with organizational values, play a critical role in influencing employee motivation, engagement, and ultimately, organizational performance. While there is some variability in perceptions, especially concerning performance-based rewards, the overall consensus supports the view that rewards act as effective levers for promoting desired behaviors, enhancing morale, and sustaining high performance. Intrinsic and extrinsic rewards were both recognized as essential components of an effective motivation strategy, affirming the importance of a balanced approach. Respondents emphasized that intrinsic factors such as recognition, professional growth, and meaningful work are equally important than financial incentives, especially in the healthcare sector where emotional and psychological factors are key motivators. The study also affirms that rewards contribute to a positive organizational climate, which improves retention, lowers stress, and fosters a performance-driven culture. Overall, the findings highlight that rewards are not merely compensation mechanisms but strategic tools that influence employee behavior, organizational alignment, and institutional success.

5.4 Recommendations of the Study

From the study findings and conclusions, the study recommended that:

- i. Healthcare organizations should prioritize maintaining clear and transparent hierarchical reporting lines to enhance accountability, streamline decision-making, and improve operational efficiency.
- ii. Institutions should integrate effective communication and coordination mechanisms within their structural frameworks to promote timely information flow and cross-departmental collaboration.
- iii. Hospitals should support role specialization and clear task division to optimize staff performance, reduce redundancy, and minimize role ambiguity or conflict across departments.

- iv. Organizations are encouraged to implement a balanced approach to centralization and decentralization, allowing local autonomy where appropriate while maintaining consistency in overarching policies and strategic decision-making.
- v. Healthcare systems should cultivate structural adaptability to respond effectively to emerging healthcare challenges, regulatory changes, and technological innovations, ensuring long-term resilience and competitiveness.
- vi. Administrators should implement clear and fair resource allocation policies, supported by defined criteria and accountability mechanisms, to build organizational trust and promote interdepartmental equity.
- vii. Resource distribution should be aligned with institutional goals, performance data, and patient demand, using structured planning frameworks and staff input to enhance accuracy, effectiveness, and staff buy-in.
- viii. Hospitals should invest in data analytics, real-time monitoring systems, and manager training to support evidence-based decision-making, improve resource efficiency, and sustain high-quality patient care.

5.5 Suggestion for Further Study

The study recommends that a further research be done to explore how the integration of flexible, adaptive structural frameworks such as balancing centralization with decentralization and fostering organizational agility impacts overall healthcare delivery, staff performance, and patient outcomes.

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APPENDICES

Appendix I: Consent Form

I am **Paul KipkosgeiBiwott**, a masters student at Mount Kenya University. I am conducting a study on

“Effects Of Strategy Implementation On Performance Of Iten County Referral Hospital, Elgeyo Marakwet County, Kenya”

I kindly wish to inform you that the study is partial fulfillment of my master degree program. I recruit you to conveniently and freely participate in this study and am seeking your consent. Confidentiality will be maintained by using code numbers rather than names and information gathered will not be revealed to anybody. Participation in the study is voluntary. The project poses no any risks to the participants.

Before I involve you in this study, I kindly request you to sign the declaration below.

I have read the purpose and I hereby agree/disagree to participate in this study.

Respondent (coded)

Sign.....

Date.....

Principal investigator

Name: **Paul KipkosgeiBiwott**,

Sign.....

In case of any complaints or further clarifications, kindly conduct the;

Chairman,

Mount Kenya University,

Ethics Review Committee,

P.O Box 342-0100

Thika.

Appendix II: Questionnaire

Section A: Organizational Structure and Performance

The statements in the following table relate to effects of organizational structure on performance in your organization. Please indicate your level of agreement according to the following table where: 1=Strongly Disagree 2=Disagree 3=Neither agree nor disagree 4=Agree and 5=Strongly Agree

Statement	1	2	3	4	5
The hierarchical levels provide clear reporting lines within the organizational structure					
The coordination and communication mechanisms are embedded in the organizational structure					
The division of labor and specialization is facilitated by the organizational structure					
The level of centralization or decentralization within the organizational structure affects performance outcomes					
The formalization of roles and responsibilities within the organizational structure contributes to its overall performance					
The level of flexibility and adaptability embedded in the organizational structure influences its performance in a dynamic healthcare environment					

Section B: Resource Allocation and Performance

The statements in the following table relate to effects of resource allocation on performance in your organization. Please indicate your level of agreement according to the following table where: 1=Strongly Disagree 2=Disagree 3=Neither agree nor disagree 4=Agree and 5=Strongly Agree

Statement	1	2	3	4	5
Resource allocation helps in the achievement of strategic priorities in the hospital					
Proper allocation of resources contributes to the attainment of strategic objectives					
Resource allocation contributes to operational efficiency and performance outcome					
Equitable distribution of resources is important in achieving organizational performance					
Resource allocation is a pillar for the delivery of quality healthcare services					

Section C: Organizational Culture and Performance

The statements in the following table relate to effects of organizational culture on performance in your organization. Please indicate your level of agreement according to the following table where: 1=Strongly Disagree 2=Disagree 3=Neither agree nor disagree 4=Agree and 5=Strongly Agree

Statement	1	2	3	4	5
Shared values and beliefs within the organization influence performance					
The level of employee engagement fostered by the organizational culture enhances performance					
The degree of innovation and adaptability embedded in the organizational culture contributes to performance improvement					
The alignment between the organizational culture and strategic goals positively influences organizational performance					
The presence of a positive and supportive culture enhances employee motivation and performance					
The transparency and open communication fostered by the organizational culture contribute to improved performance					

Section D: Rewards and Performance

The statements in the following table relate to effects of rewards on performance in your organization. Please indicate your level of agreement according to the following table where: 1=Strongly Disagree 2=Disagree 3=Neither agree nor disagree 4=Agree and 5=Strongly Agree

Statement	1	2	3	4	5
The effectiveness of performance-based rewards enhances employee productivity					
Intrinsic and extrinsic rewards promote organizational performance					
Rewards foster a positive work environment and enhance employee satisfaction and performance					
Monetary and non-monetary rewards increase employee engagement and organizational performance					
Rewards encourage desired behaviors and contribute to improved organizational performance					

Appendix III:ERC Clearence



REF: MKU/ISERC/4509
TO: PAUL KIPKOSGEI BIWOTT

Date: 23 October 2024

REG: MBA/2023/43771

Dear Sir/Madam,

RE: EFFECTS OF STRATEGY IMPLEMENTATION ON PERFORMANCE OF ITEN COUNTY REFERRAL HOSPITAL, ELGEYO MARAKWET COUNTY, KENYA

This is to inform you that **Mount Kenya University** has reviewed and approved your above research proposal. Your application approval number is **3231**. The approval period is **23/10/2024 - 22/10/2025**.

This approval is subject to compliance with the following requirements:

- i. Only approved documents including informed consents, study instruments, MTA will be used
- ii. All changes including amendments, deviations and violations are submitted for review and approval by **Mount Kenya University**
- iii. Death and life-threatening problems and serious adverse events or unexpected adverse events whether related or unrelated to the study must be reported to **Mount Kenya University** within 72 hours of notification
- iv. Any changes, anticipated or otherwise that may increase the risks or affect the safety or welfare of study participants and others or affect the integrity of the research must be reported to **Mount Kenya University** within 72 hours
- v. Clearance for export of biological specimens must be obtained from relevant institutions
- vi. Submission of a request for renewal of approval at least 60 days prior to expiry of the approval period. Attach a comprehensive progress report to support the renewal
- vii. Submission of an executive summary report within 90 days upon completion of the study to **Mount Kenya University**

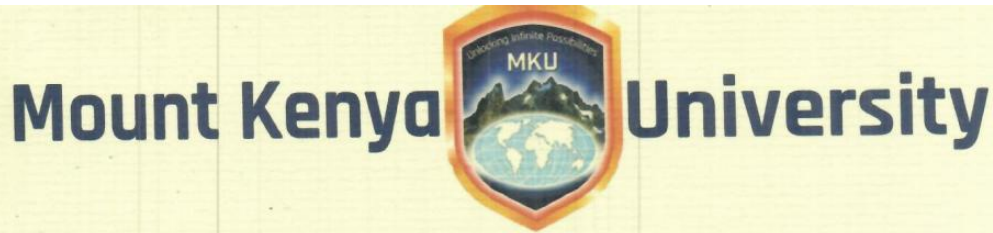
Prior to commencing your study, you will be expected to obtain a research license from National Commission for Science, Technology and Innovation (NACOSTI) <https://research-portal.nacosti.go.ke> and also obtain other clearances needed.

Yours sincerely,

Dr. Alfred Owino, PhD
Chairman, Mount Kenya University ISERC



Appendix IV: Introduction Letter



DIRECTORATE OF GRADUATE STUDIES

MBA/2023/43771

23rd October, 2024

National Commission for Science Technology & Innovation (NACOSTI)
Off Waiyaki Way, Upper Kabete,
P.O Box 30623- 00100
NAIROBI, KENYA

Dear Sir/Madam,


RE: PAUL KIPKOSGEI BIWOTT - REGISTRATION NO. MBA/2023/43771

The purpose of this letter is to introduce the above named student who is pursuing **Master of Business Administration** in the department of **Accounting and Finance** in the school of **Business and Economics**.

The title of the research is **"Effect of Strategy Implementation on Performance on Iten County Referral Hospital Elgeyo Marakwet County, Kenya."** It has been cleared by the University's Ethics Review Committee (Certificate attached) and now has to proceed to the field to collect data between **October, 2024 and December, 2024**.

Any assistance accorded to the student will be highly appreciated.

Thank you.



Dr. Samuel M. Karenga, PhD
Director, Graduate Studies
Enc.

Mount Kenya University
P.O. Box 342 - 01000, THIKA
Graduate Studies

Appendix V:NACOSTI Letter

NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY AND INNOVATION
REPUBLIC OF KENYA
Ref No: 695064
Date of Issue: 04/November/2024

RESEARCH LICENSE




This is to Certify that Miss. PAUL KIPKOSGEI BIWOTT of Mount Kenya University, has been licensed to conduct research as per the provision of the Science, Technology and Innovation Act, 2013 (Rev.2014) in Elgeyo-Marakwet on the topic: EFFECTS OF STRATEGY IMPLEMENTATION ON PERFORMANCE OF ITEN COUNTY REFERRAL HOSPITAL, ELGEYO-MARAKWET COUNTY, KENYA for the period ending : 04/November/2025.

License No: NACOSTI/P/24/41849

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NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION

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Appendix VI: Sample Size Determination Table

<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	100000	384

Note.—*N* is population size. *S* is sample size.

Source: Krejcie & Morgan, 1970

EFFECTS OF STRATEGY
IMPLEMENTATION ON
PERFORMANCE OF ITEN
COUNTY REFERRAL HOSPITAL,
ELGEYO MARAKWET COUNTY,
KENYA

by Paul Biwott

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EFFECTS OF STRATEGY IMPLEMENTATION ON PERFORMANCE OF ITEN COUNTY REFERRAL HOSPITAL, ELGEYO MARAKWET COUNTY, KENYA

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