

**ANALYSIS OF BUDGET PROCESS ON STRATEGIC PLAN IMPLEMENTATION IN
P.C.E.A. KIKUYU HOSPITAL IN KIAMBU COUNTY, KENYA**

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DECLARATION

This research project is my original work and has not been presented for a degree in any other university for the conferment of a degree or any other award

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APPROVAL

This research project has been submitted for examination with our approval as university supervisors.

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DEDICATION

I dedicate this study to the Almighty God for the supremacy and redeemer of my soul.

My husband and daughter for your love and support.



Mount Kenya University

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First and foremost, I thank the Almighty God for guiding me through my academic pursuit. Your unwavering presence provided me with the strength and resilience to complete my degree. I wish to acknowledge the support received from my supervisor, Dr. Francis Mutegi, for his invaluable guidance and advice throughout the thesis research process. His expertise was instrumental in making this document possible. I am grateful to my committee members for their contributions to my defense. Your comments and suggestions were brilliant and greatly enriched my work. I also appreciate Mount Kenya University for providing me with the opportunity to pursue master's degree in strategic management. I appreciate my classmates, my workmates, and friends for encouragement and your assistance. Lastly, Special thanks to my husband, Reuben, my daughter, Alina, and my entire family for their continuous prayers, support and understanding throughout my research and the writing of my project.

ABSTRACT

The study investigates factors that influence budget process and their effects on strategic plan implementation in PCEA Kikuyu Hospital. Data were collected from hospital staff involved in budget process, senior hospital administration, and budget committee. The purpose of this study is to establish the influence of budget process on strategic plan implementation at PCEA Kikuyu Hospital. The general objective of the study is to assess the role of budget process on strategic plan implementation in the same hospital. Specific Objectives to determine the influence of budget planning, examined the influence of budget monitoring and evaluation, establish the influence of management perspective, and the influence of budget committee on strategic plan implementation at PCEA Kikuyu Hospital. The study was conducted in P.C.E.A. Kikuyu Hospital which is faith-based health facility located in Kiambu County. The study target hospital management, staff and budget committee. The total number covered by the study were 45 general staff from various departments and budget committee, and 7 key informants led by Chief Executive Officer. The study utilized three theories: priority-based budgeting, budget control, and goal setting. Priority-based budgeting aims to increase profitability by re-evaluating activities, budget control focuses on effective implementation, and goal setting views behavior as conscious and unconscious actions. Interview schedules and key informant interviews were employed as data collection instruments. Quantitative data from questionnaires were analyzed using Statistical Package for Social Sciences to produce descriptive statistics while qualitative data from key informant interviews were analyzed using thematic content analysis. There is lack of or poor enforcement of financial discipline, internal audits, and other accountability measures in PCEA Kikuyu Hospital. There is poor understanding budget composition by members of staff which affects service, the budget committee is crucial for implementation of the strategic plan, and men were found to be effective in budget committees than women. Additionally, there delay in availing financial for budget planning and monitoring, staff are poorly involved budget planning, monitoring, and other work related activities which denies a chance to learn, interact, and provide feedback. And finally, financial outcomes were said to influence customer satisfaction.

Recommendations includes seeking for government (both county and national) to come to Kikuyu's rescue due to its financial instability as well as facilitate its inclusion into SHA Taifa Care (if not included). Patients should advocate for well managed hospital which is corruption-free, affordable, and whose services can be accessed through SHA Taifa Care. Civil society should to seek inclusion into the budget committee to represent ordinary citizens. Additionally, PCEA administration especially senior leadership of the church should stop interfering with management of the hospital. Bus owners should think of restoring the town to hospital direct bus service which used to save customers time and money. Somebody should conduct same research in five or more faith-based hospitals in Kiambu County with aim of generalizing results.

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LIST OF ABBREVIATION AND ACRONYMS

FBH	:	Faith-Based Hospitals
GoK	:	Government of Kenya
HMO	:	Health Maintenance Organizations
KII	:	Key Informant Interviews
KNH	:	Kenyatta National Hospital
KPI	:	Key Performance Indicators
MKU	:	Mount Kenya University
MMR	:	Mixed-Methods Research
NACOSTI	:	National Commission of Science, Technology and Innovation
PBB	:	Priority Based Budgeting
PCEA	:	The Presbyterian Church in East Africa
SPSS	:	Statistical Program for Social Sciences

CHAPTER ONE

INTRODUCTION

1.1 Introduction

This chapter introduces the study of background to the study, statement of the problem, purpose of the study, objectives, research questions, significance of the study, delimitation of the study, limitations of the study, assumptions of the study, and operational definition of terms

1.2 Background of the study

According to (Chong, Smith, Garcia, Lee, Ashley, Marks, & Victorino, 2015), a budget is a financial plan that details the primary sources of revenue and how such revenues are to be spent (Chong et al., 2015). The budget is formulated with the primary objectives of facilitating planning, communication, resource allocation, implementation, monitoring and evaluation, profit and operations control, performance assessment, and incentive provision. Conversely, the budget process entails the formulation of a budget or the process of forecasting and assessing forthcoming financial needs. According to (Barasa, Cleary, Molyneux, & English, 2017) budgetary process is used by hospitals as a tool for proper management of resources (Barasa et al., 2017).

Traditionally, budgeting has been perceived as a mechanism for attaining command over operations executed at intermediate and subordinate tiers within healthcare institutions, via a primarily top-down dissemination of data (Isaboke & Kwasira, 2016). A study by Covaleski, Evans, J.H., Luft.,, Shields, M.D (2019) in India submitted that, Faith-Based Hospitals (FBH) prepare forward budget annually that should cover both capital and operating (recurrent) budgets. Budgets are an integral part of most FBH in Europe and serve a variety of management functions (Covaleski et al., 2019). According to Irungu (2016), budgeting serves as a crucial policy tool for managing the finances of FBH. This practice is widely prevalent and familiar to individuals,

businesses, government entities, and non-profit organizations, as it is also commonly employed in our personal lives. The utilization of budgets in healthcare facilities predates its implementation by a considerable period (Irungu, 2016). A primary impediment in FBH budgeting process kick from budget planning. According to Koller and Khullar (2019), the budgeting process encompasses both long-term and short-term planning, with planning being a crucial component of this process. Additionally, the study asserted that short-term budgeting should take into consideration the current environment and the financial resources currently available to the hospital. Another challenge that arises is establishing a rational correlation between actions and their resulting outcomes (Koller & Khullar, 2019). This is supported by Koller & Khullar (2019) who submitted that many faith-based hospitals in South Korea collapsed due to poor budget implementation (Koller & Khullar, 2019). The study determined that, there was poor monitoring and evaluation with weak control process that led to the collapse.

Studies on budget process in faith-based hospitals have been undertaken in Africa Kidholm, Ølholm, Birk-Olsen, Cicchetti, Fure, Halmesmäki, & Sampietro-Colom, (2015). It is observed that capacity to plan and implement the budgetary process can greatly enhance financial management in FBHs in Nigeria (Kidholm et al., 2015). Similarly, Järvinen (2016) study on budgetary process in Rwanda established that skills and power of FBH managers had positive and significantly related to budgeting. Another study results in Zimbabwe by Hachesu et al. (2016) determined that a positive budgeting development skills of hospital administrators is meant to improve budgeting process that in turn promote organizational performance of FBHs. (Adhikara, MF, & Nur , 2022). Another study on non-profit performing healthcare in Zambia to establish how budget planning, control, monitoring, and evaluation, varies within these facilities. The study found that, the FBH that inherent the budget planning performs better financially than the one does not. Similarly, it is

imperative to conduct an assessment of the budget's execution to guarantee the efficient implementation of programs and to detect any financial issues. Budget implementation and monitoring in faith-based hospitals (FBHs) require a comprehensive approach that spans various levels, from the global stage to regional, national, and local contexts. Such a multi-level perspective ensures that healthcare budgets are effectively managed and align with broader healthcare objectives (Adhikara et al., 2022).

Church health providers are crucial in the provision of health services across any nation. However, budgetary approach is integral in these hospitals' operations. Therefore, health programs are shaped by the decisions made in budget processes. Good hospital budgeting reflects organizational realities and allows technically sound decision making. A budget is a detailed forecast of financial outlays and receipts.

At the international level, organizations such as the World Health Organization (WHO) and global faith-based health networks establish global health standards and guidelines. These organizations provide frameworks for healthcare budgeting, emphasizing universal healthcare goals to guide FBHs. At continental level, regional health organizations such as the African Union (AU) contribute to the healthcare budgeting landscape. They facilitate knowledge sharing and advocate for best practices in healthcare financing within a specific continent.

Regionally, healthcare budgets are influenced by regional health policies, economic conditions, and healthcare infrastructure. Regional health authorities collaborate with national governments to ensure FBHs receive adequate funding and adhere to regional healthcare standards. The national governments play a central role in healthcare budgeting and oversight. They allocate funds, define budget priorities, and establish regulatory frameworks. (Cheruiyot, Oketch, Namusonge, Sakwa, Mutai & Robert ,2017) conducted a study on budgetary process in faith-based hospitals to

determine the extent of use and the perceived effectiveness of budgeting tools by in Kenya. National ministries of health work with FBHs to develop budgets aligned with national health objectives, with a focus on efficient and transparent fund utilization. Additionally, the study identified trends in faith-based hospitals' budgeting and the role played by hospital administrators in the budgeting process. the study submitted that, hospitals should employ budget process and carefully analyze the challenges that come during implementation for optimal performance (Cheruiyot et al., 2017). At the local or county level, FBHs operate within specific geographic regions and collaborate with local governments. County health departments oversee healthcare delivery and budget implementation, ensuring that healthcare services positively impact the local population.

A budget acts as a tool for functional coordination and performance evaluation of the hospital as well, a motivator and communicator (Koller & Khullar, 2019). According to Liebler & McConnell (2020) there are four major purposes of budget process. The budget process fulfills multiple essential roles, such as offering a method to successfully finalize planning activities, anticipating possible challenges prior to their emergence, and aligning the efforts of the entire organization by integrating the plans and objectives of its various parts. The budget process serves several key functions, including providing a means to effectively conclude planning endeavors, preempting potential obstacles before they arise, and harmonizing the actions of the entire organization by amalgamating the plans and goals of its disparate components. Budgeting in hospitals serves several purposes, including motivating staff, coordinating resources, establishing performance benchmarks, and controlling costs (Liebler & McConnell, 2020). Operational budgets are used for planning and control objectives. The main purpose of budgeting is to plan, and the output, the budget, serves as the foundation for later monitoring and control of activities via implementation

(Taha & Rodríguez-Vega, 2020). Having administrators involved, defining long-term objectives, allocating money rationally, and implementing control systems that lead to continual improvement in health programs are all hallmarks of a solid budget process (Partington, Wynn, Suriadi, Ouyang & Karnon (2015). The budget serves as a means of delineating the allocation of resources and establishing the criteria for evaluating progress. The efficacy of budget development can be enhanced by establishing a connection with the overarching corporate strategy. Establishing a connection between the two entities provides a more lucid comprehension of the organization's strategic objectives for both managerial and staff personnel. The budget functions as a tool for outlining the distribution of resources and setting the standards for assessing progress. The effectiveness of budget formulation can be improved by linking it to the broader corporate strategy. Creating a relationship between these two aspects offers a clearer understanding of the organization's strategic goals for both management and staff members. This comprehension, as a result, results in increased backing for objectives, enhanced synchronization of strategies, and ultimately, heightened overall performance across the organization (Holland ,2000). In the past, budgets were considered the gold standard for planning (Alam & Lawrence, 1994). Customers might learn what to anticipate from a company via its budget. The budgeting procedure promotes synchronized preparation across all departments of a healthcare institution. The budget details both the ongoing and long-term costs, as well as the various funding mechanisms that will be used to cover them. This means the budgeting process encourages coordinated planning among all departments within a healthcare organization. The budget outlines both the current and future expenses, along with the different funding sources that will be utilized to address them. The salaries and pay of the employees are an example of a recurrent expense associated with maintaining the hospital's services. On the other hand, the phrase development expenditure is used to describe the

money spent on long-term initiatives (Musiega, Tsofa, Nyawira, Njuguna, Munywoki, Hanson & Barasa 2022). Planning for budget preparation and outlining objectives and timetables for its development is, thus, an integral part of the budget process (Moses, Korir, Zeng, Musiega, Oyasi, Lu & Di Giorgio, 2021). After briefing the team on the needs, information collecting may begin. The data is then collated and updated as needed before being submitted for committee approval. Creating a budget is the first step in any sound financial strategy. Budgeting is not only about cutting down on spending; rather, it's about figuring out how much money you have, where it goes, and where it would be most usefully put to work Kihuba, Gheorghe, Bozzani, English, & Griffiths (2016). Despite its importance as a public statement of how the hospital intends to spend its funds in the year ahead and as a role as a control mechanism, the budget process is often overlooked in faith-based hospitals as a tool for improving the overall efficiency of the hospital and preventing money misappropriation (Gilson, Barasa, Nxumalo, Cleary, Goudge, Molyneux, & Lehmann, (2017).

1.2 Statement of the Problem

Health care is essential and is acknowledged as a critical prerequisite for achieving overall socioeconomic development. In Kenya, health care is made up of the public Health and the private sector. The private health system comprises of profit-making, Non-Governmental Organizations (NGOs), and Faith-Based hospitals. In the context of healthcare provision in Kiambu County, Kenya, Faith-Based hospitals stand as crucial contributors, representing approximately 40% of healthcare services. However, despite their significant role, these institutions, including PCEA Kikuyu hospital, are encountering challenges that cast a shadow over their ability to effectively meet the growing demands and evolving expectations of their clientele.

Recent reports, notably from Kingangi (2018), have brought to light a concerning trend at PCEA Kikuyu hospital – a substantial decline in available grants and financing. This financial downturn points to broader issues within the hospital's financial management framework and raises questions about the overall sustainability of Faith-Based hospitals in the region. Claims of financial mismanagement, encompassing budgetary inappropriateness and an inability to adhere to financial policies, further contribute to the complexity of challenges faced by these institutions.

Moreover, there is an observable gap in the adaptation of Faith-Based hospitals to the changing landscape of healthcare service provision. This includes an alleged inability to meet the expanding demands and evolving expectations of clients. This misalignment poses a significant threat to the hospitals' effectiveness in delivering healthcare services, impacting both their operational sustainability and the quality of care provided.

Importantly, the existing knowledge gap is a critical concern. Limited research has been undertaken to specifically assess the effectiveness of budget processes on the implementation of strategic plans at PCEA Kikuyu hospital. This empirical knowledge deficit leaves a void in understanding the intricate relationship between budgetary decisions and the successful execution of strategic plans in Faith-Based hospitals.

Therefore, this study addresses these pressing issues by investigating the effectiveness of budget processes on strategic plan implementation at PCEA Kikuyu hospital in Kiambu County. Through a comprehensive examination of financial management practices, this research sought to provide valuable insights that can inform improvements, ensuring the continued and enhanced ability of Faith-Based hospitals to fulfill their crucial role in the local healthcare landscape

1.3 Purpose of the Study

The purpose of the study was to establish the influence of budget process on strategic plan implementation at PCEA Kikuyu Hospital in Kiambu County. The study sought to determine if the budget process at PCEA Kikuyu Hospital conforms with best practices and the extent to which it has achieved financial objectives.

1.4 Objectives of the Study

The general objective of this study is to assess the role of budget process on strategic plan implementation in PCEA Kikuyu Hospital in Kiambu county, Kenya.

Specific objectives of the study were as follows:

- i. Determine the influence of budget planning on strategic plan implementation at PCEA Kikuyu hospital, Kiambu county.
- ii. Examined the influence of budget monitoring and evaluation on strategic plan implementation at PCEA Kikuyu hospital, Kiambu county.
- iii. Established the influence of management perspective on strategic plan implementation at PCEA Kikuyu hospital, Kiambu county.
- iv. Determine the influence of budget committee on strategic plan implementation at PCEA Kikuyu hospital, Kiambu county.

1.5 Research Questions

The study answers the following research questions

- i. Does budget planning influence strategic plan implementation at PCEA Kikuyu hospital, Kiambu county?
- ii. Does Budget Monitoring and evaluation have effect on strategic plan implementation at PCEA Kikuyu hospital, Kiambu county?

- iii. What is the influence of management perspective on strategic plan implementation at PCEA Kikuyu hospital, Kiambu county?
- iv. Does the budget committee have influence on strategic plan implementation at PCEA Kikuyu hospital, Kiambu county?

1.6 Significance of the Study

The study findings will benefit PCEA Kikuyu hospital in understanding how budget process influence the implementation of their strategic plan. The research provides information on how budgetary process affect the strategic plan implementation in Faith based hospitals hence, realization in health programs and their organizational plan. Budget planning, budget committee, budget implementation, budget monitoring, and budget assessment are all areas where the results of the study might be useful. The hospital administration may utilize the results to better understand the budget process and identify areas for improvement in the effort at implementing the strategic plan. Donors to hospitals of faith might learn something about the efficiency and effectiveness of hospital finances from the results this research.

Furthermore, the study findings will benefit the Government of Kenya (GoK) by providing information on budgeting process in the health sector, as well as to developing strong financial integration plan with appropriate, timely interventions to mitigating strategic plan implementation. Also, the study's results will add to the existing body of knowledge for future academic work. Additionally, and the study's recommendations will serve as the foundation for a broader examination of the budgeting process and strategic plan implementation. The research will expand upon the existing body of empirical evidence on the budgeting procedure.

1.7 Scope of the Study

Strategic plan implementation is central to the financial and organizational life of the faith-based organization. Strategic plan implementation involves several elements and variables and focus almost exclusively on numerical gains. This research project will focus exclusively on Kiambu County, Kenya, as the geographic area of investigation. Kiambu County will serve as the primary location for examining the influence of the budget process on the implementation of strategic plans in faith-based hospitals. The study concentrates on PCEA Kikuyu Hospital in Kiambu County. The study will involve hospital administrators, financial officers, and key decision-makers responsible for budgeting and strategic planning within PCEA Kikuyu Hospital. The temporal scope of this research will encompass a specific timeframe, from September 2024 to March 2025. This duration corresponds to the period when budget processes and strategic plans are actively managed and implemented within the selected faith-based hospitals in Kiambu County.

1.8 Limitations of the Study

The researcher encountered reluctance from some respondents to freely discuss issues concerning budget process as they regarded this a sensitive matter. This was mitigated by explaining the purpose and objectives of the research to the participant(s) and by seeking their free prior and informed consent before embarking on the interviews. The participants were assured that they were free to participate in interviews and drop out any time they felt their uncomfortable with questions. The researcher assured each participants of the confidentiality and anonymity of the data. The researcher also availed to the participants the all necessary authorization (i.e. research permit and ERC authorization) to guarantee them the respondents that the information they were

providing would be used purely for academic purpose and treated with utmost confidentiality. Additionally, the study was limited by the fact that most of committee members were not be available for interviews despite having booked for appointments for interviews. This was mitigated by calling the concerned committee members and interviewing them through the phone. The researcher had also left behind key interview guides which were responded to by concerned committee members.

1.9 Delimitations of the Study

The study will be confined at PCEA Kikuyu hospital. The study on the role of the budget process in strategic plan implementation within faith-based hospitals in Kiambu County, Kenya, is delimited in several ways to ensure a focused and manageable investigation. Firstly, the geographic delimitation confines the study's scope to Kiambu County, thus excluding the study from hospitals in regions. Secondly, the timeframe is limited to a specific period, ensuring that the findings pertain to the current circumstances within the county. Additionally, the study focuses on key stakeholders involved in the budget process within these hospitals, such as administrators and financial personnel, while excluding other members of the healthcare workforce. Lastly, given potential resource constraints, the study acknowledges limitations in terms of the number of hospitals that were included in the sample. These delimitations established the study's feasibility and clarity while offering valuable insights into the strategic planning dynamics within faith-based healthcare institutions in the region.

1.10 Assumptions

The study had made an assumption that respondents would provide honest responses without biasness. Similarly, the study had assumed that the participants selected for the study would have

sufficient knowledge and experience regarding the budget process at PCEA Kikuyu hospital. The study had also assumed that the budget planning and monitoring tools being used at the hospital were implemented effectively and accurately. Furthermore, the study had assumed that the budget committee members would be available and willing to participate in the interviews. Finally, the study had assumed that the information collected would be reliable and representative of the budget process at PCEA Kikuyu hospital, despite the potential limitations and constraints mentioned above.



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1.11 Operational Terms

Budget committee:	This is the body of member that manages the faith-based organization budget and for the present study entailed the board composition, board size, duties, and education level.
Budget Monitoring and Budget:	It is a comprehensive quantitative plan that outlines the details regarding the acquisition and utilization of financial and other resources over a defined time frame, which can be either a long-term period (ranging from two to ten years) or a short-term period (spanning one to two years, or on a monthly or daily basis).
Budgetary Process:	The method by which a faith-based organization develops its budget, encompassing planning, execution, oversight, and assessment. Evaluation: Budget monitoring is the process that enables the budget management to evaluate the achievement of objectives and adherence to policies and procedures during the course of action while evaluation is done at the end of course of action.
Management perspective:	This is all about understanding the skills and techniques of excellent budget management by gaining knowledge about the budget procedures that lead to the success of any organization, directly or indirectly.
Strategic Plan Implementation:	Refers to the way an organization should develop, employ, and integrate its organizational structure, control systems, and culture to execute strategies that result in a competitive edge and improved performance.
Strategic Plan:	Is the process by which an organization defines its strategy or direction and makes decisions regarding the allocation of its resources to pursue that strategy. The budget planning: In the budget process is of paramount importance in guiding healthcare organizations towards the attainment of their desired outcomes and objectives.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This literature explores the effectiveness of the budget process in of Faith Based Hospital, focusing on the intersection of two prominent theoretical frameworks: Institutional Theory and Goal Setting Theory. By examining the existing body of literature, including theoretical, empirical, and conceptual studies, this study provides insights into how faith-based hospitals can optimize their budgeting processes to achieve organizational goals.

2.2 Empirical Review

2.2.1 Budget planning and strategic plan implementation

The budget planning in the budget process is of paramount importance in guiding healthcare organizations towards the attainment of their desired outcomes and objectives. The framework facilitates financial planning and control, enabling hospitals to efficiently and effectively allocate resources. Budgeting facilitates the identification of areas for improvement and enables decision-making based on financial realities by establishing financial targets and monitoring performance against them. In healthcare settings, where resources are frequently constrained, the process of budgeting assumes heightened importance in order to facilitate the provision of optimal patient care and operational efficiency. The budget functions as a strategic instrument for the purpose of organizing and synchronizing diverse departments within the healthcare facility. The process of participative budgeting is made easier through the involvement of various departments, individuals, and groups with varying levels of authority. The implementation of a participatory approach fosters collaboration and guarantees that the budget aligns with the requirements and preferences of diverse departments. The process of budget planning holds significant importance

within the overall budget framework, guiding healthcare organizations toward achieving their desired goals and objectives. This framework supports financial planning and control, allowing hospitals to allocate resources efficiently and effectively. Budgeting aids in identifying areas that require improvement and supports decision-making grounded in financial realities by setting financial targets and tracking performance against them. In healthcare environments, where resources are often limited, the budgeting process becomes even more critical to ensure the delivery of optimal patient care and operational efficiency. The budget serves as a strategic tool for organizing and coordinating various departments within the healthcare institution. The participative budgeting process is enhanced by the engagement of different departments, individuals, and groups with varying levels of authority. Adopting a participatory approach encourages collaboration and ensures that the budget meets the needs and preferences of the various departments involved.

The process of participative budgeting is made easier through the involvement of various departments, individuals, and groups with varying levels of authority. The implementation of a participatory approach fosters collaboration and guarantees that the budget aligns with the requirements and preferences of diverse departments.

Through the incorporation of pertinent stakeholders in the budgetary procedure, the hospital can cultivate a perception of possession and responsibility among personnel, ultimately resulting in enhanced congruity of resources with the institution's objectives. The budget in healthcare organizations functions as a guiding framework for financial decision-making and allocation of resources. The implementation of this approach allows healthcare facilities to allocate their financial resources in a manner that prioritizes crucial services and patient care, thereby ensuring that they receive sufficient funding. This means the adoption of this strategy enables healthcare

institutions to distribute their financial resources in a way that emphasizes essential services and patient care, thus guaranteeing that they obtain adequate funding

According to Tsofa et al. (2017), healthcare institutions can establish performance benchmarks and track their progress towards achieving strategic objectives by implementing financial targets. Research suggests that the effective implementation of budgetary systems within organizations can lead to notable enhancements in financial management and operational efficiency. Partington et al. (2015) conducted a study on the budgetary scheme for hospitals in Nairobi County. The study found that there was a positive and significant correlation between the budgeting process and the abilities and authority of executives. The results suggest that an advantageous development of executives' competencies and influence enhances the budgetary approach for healthcare facilities in Nairobi. The preceding analysis of past research supports the notion that there is an increasing belief in the usefulness of expenditures in the current challenging business environment (Partington et al., 2015).

The study by Musiega et al. (2022) investigated the relationship between cash management and the financial performance of private hospitals in Kenya. The objective of this study was to investigate the correlation between operational equity leadership and the financial outcomes of private hospitals in Kenya. The study established a positive correlation between effective financial management and leadership (Partington et al., 2015). The aforementioned statement suggests a positive correlation between profitability and inventory levels, while indicating a negative relationship between profitability and median reports payable, as well as median records payable. According to Partington et al. (2015), it is imperative for executives to efficiently manage their working capital as it can significantly affect profitability if not properly regulated. In addition, it is imperative to make consistent efforts to reduce inventory levels, not only by enhancing debtors'

disposal efforts and negotiating for extended loan periods with customers, but also by creating value for shareholders through the reduction of receivables days (Musiega et al., 2022).

According to Muthama's (2016) study, community participation is an essential element in realizing the objectives set forth in the Vision 2030 initiative. This is because the core tenets of the social and economic pillars are founded on devolution. As devolved funds increasingly serve as vital catalysts for development, it is anticipated that policy formulation, public resource management, and revenue distribution will necessitate the active involvement of communities to guarantee more efficient resource allocation.

Moreover, Adhikara and Nur Diana (2022) contend that a dependent and enhanced process of consultation and information sharing is crucial during the budgeting, implementation, and monitoring and evaluation stages of development projects. It is essential to engage all pertinent stakeholders in the budgeting process to ensure the successful achievement of outcomes. The effective implementation of budgetary control necessitates a shared understanding between those in positions of authority and their subordinates (Adhikara & Nur Diana, 2022). It is imperative for the organization to disseminate the results of budgetary determinations to all pertinent personnel. Budgets play a crucial role in facilitating the dissemination of objectives, targets, and responsibilities across an organization. If executed appropriately, this approach can yield significant advantages in fostering collaboration across all tiers. The implementation of efficient budgeting practices can foster transparency and accountability within an organization. The involvement of departments and individuals in the budgeting process leads to an enhanced comprehension of the financial limitations and compromises inherent in resource allocation. The cultivation of such cognizance fosters conscientious expenditure and aids in the reduction of superfluous costs and wastage. Additionally, participatory budgeting cultivates a sense of

ownership among personnel, as they engage in active participation in financial planning and control procedures (Adhikara & Nur Diana, 2022).

In their study, Barasa et al. (2017) investigated the effects of the budgeting process on budget performance in the public sector, specifically focusing on Kwara State in Nigeria. The objective of the research was to assess how the budgeting process influences budget performance within the public sector. The population for the study included the Kwara State government, which consisted of 33 ministries and departments. A purposive sampling technique was utilized to select 150 participants who were given questionnaires. Prior to administration, the reliability and validity of the research instrument were evaluated. A structured questionnaire was employed to collect data from accounting officers and budget officers, primarily relying on primary data sources. The data analysis was performed using Kruskal-Wallis estimations. The reliability and validity assessment of the research instrument took place before its implementation. The study utilized a structured questionnaire to gather information from accounting officers and budget officers, mainly depending on primary data sources. The findings indicated that the current budgeting process was notably effective in enhancing budgetary performance, although it showed a low level of compliance. The research recommends that increasing stakeholders' awareness of budget implementation could be achieved through seminars and workshops. Barasa et al. (2017) contend that the state should improve adherence to due process in budget formulation and implementation by strictly following relevant laws and guidelines governing the budgeting process (Barasa et al., 2017). The study proposes that improving the existing budget process and controls within the legal framework of applicable laws would aid in achieving budgetary objectives and enhancing budgetary oversight. Cheruiyot and colleagues (2017) explored the impact of the budget. Furthermore, budgeting functions as a mechanism for facilitating coordination and

communication among diverse departments within the healthcare facility. The budget serves as a tool for promoting collaboration and goal congruence among different departments by aligning financial resources with organizational priorities. According to Chong et al. (2015), the utilization of this tool empowers managers to make well-informed decisions regarding the allocation of resources, staffing levels, equipment procurement, and other critical aspects that have a direct impact on both patient care and operational efficiency (Chong et al., 2015). Moreover, the practice of budgeting enables healthcare institutions to adjust to dynamic surroundings and unforeseeable circumstances. The reliability and validity assessment of the research instrument took place before its implementation. The study utilized a structured questionnaire to gather information from accounting officers and budget officers, mainly depending on primary data sources. The findings indicated that the current budgeting process was notably effective in enhancing budgetary performance, although it showed a low level of compliance. A structured questionnaire was used to gather data from accounting officers and budget officers, primarily relying on primary data sources. Data analysis was conducted using Kruskal-Wallis estimations. The assessment of the research instrument's reliability and validity occurred prior to its implementation. The study utilized a structured questionnaire to collect information from accounting officers and budget officers, mainly depending on primary data sources. The results revealed that the current budgeting process was significantly effective in improving budgetary performance, although it exhibited a low level of compliance. The research suggests that enhancing stakeholders' awareness of budget implementation could be accomplished through seminars and workshops. Barasa et al. (2017) argue that the state should enhance adherence to due process in budget formulation and implementation by strictly adhering to relevant laws and guidelines governing the budgeting process (Barasa et al., 2017). The study recommends that refining the existing budget process and

controls within the legal framework of applicable laws would assist in achieving budgetary objectives and improving budgetary oversight. Cheruiyot and colleagues (2017) examined the influence of the budget. Moreover, budgeting acts as a mechanism for facilitating coordination and communication among various departments within the healthcare facility. The budget functions as a tool for fostering collaboration and goal congruence among different departments by aligning financial resources with organizational priorities. According to Chong et al. (2015), the use of this tool enables managers to make informed decisions regarding resource allocation, staffing levels, equipment procurement, and other critical factors that directly affect both patient care and operational efficiency. The aforementioned mechanism facilitates the process of devising plans for unforeseen events and mitigating potential risks. Hospitals can ensure continuity of services and mitigate risks by proactively allocating resources through anticipating future financial needs and potential challenges. According to Gilson et al. (2017), the adoption of a proactive approach enables organizations to effectively address external factors such as alterations in reimbursement policies, variations in patient volumes, or unforeseen occurrences (Gilson et al., 2017).

2.2.2 Monitoring & Evaluation and Strategic Plan Implementation

Apart from its function in allocating resources, the budget also serves as a tool for monitoring performance of ongoing activities in healthcare establishments. The process enables the management to evaluate the achievement of objectives and adherence to policies and procedures during the course of action. Through a comparative analysis of the hospital's realized expenditures and outcomes in relation to the budgeted figures, any discrepancies can be detected, and appropriate remedial measures can be taken. The procedure allows management to assess the attainment of goals and compliance with policies and procedures throughout the execution of actions. By conducting a comparative analysis of the hospital's actual expenditures and results

against the budgeted amounts, any variances can be identified, and suitable corrective actions can be implemented. The process of monitoring aids in upholding financial discipline, guaranteeing accountability, and enhancing overall operational efficiency. Budgets are utilized as ex-post action instruments that concentrate on prior outcomes to regulate forthcoming actions. The act of monitoring contributes to maintaining financial discipline, ensuring accountability, and improving overall operational efficiency.

Budgets serve as retrospective tools that focus on past results to guide future actions. By conducting a meticulous examination of past records and performance metrics, medical institutions can discern patterns, tendencies, and opportunities for enhancement. According to Hachesu et al. (2016), the institution can enhance its decision-making process on resource allocation and strategic planning by integrating insights gained from past budget cycles (Hachesu et al., 2016).

Irungu (2016) conducted a study on the impact of budgeting and budgetary control on financial expenditure. According to the study, the implementation of budgeting and budget management practices enables a county government to make accurate predictions regarding its financial resources. Furthermore, during the fiscal year, the researcher recommended that the approval of appropriation bills for county governments be prioritized, and that stricter enforcement of budgetary laws and better performance by county administrations be implemented to mitigate potential threats to financial efficiency. The present study addressed a gap in the literature regarding the impact of audit control on financial expenditure, which was not specified in the previous study. In healthcare organizations, the budget functions as a standard by which real-world performance can be evaluated. Through a comparative analysis of tangible financial results, such as revenues and expenses, against the predetermined budgetary projections, organizational leadership can evaluate the financial well-being and effectiveness of the entity. Substantial

deviations from the budget may serve as indicators of specific areas that necessitate further scrutiny and analysis. In the event that expenditures consistently exceed the allocated budget, it could potentially indicate inadequacies in resource allocation or necessitate the implementation of cost-reduction strategies. Through a comparative analysis of tangible financial results, such as revenues and expenses, against the predetermined budgetary projections, organizational leadership can evaluate the financial well-being and effectiveness of the entity. Substantial deviations from the budget may serve as indicators of specific areas that necessitate further scrutiny and analysis. In the event that expenditures consistently exceed the allocated budget, it could potentially indicate inadequacies in resource allocation or necessitate the implementation of cost-reduction strategies. Moreover, throughout the fiscal year, the researcher suggested that prioritizing the approval of appropriation bills for county governments is essential, alongside the implementation of stricter enforcement of budgetary laws and improved performance by county administrations to address potential threats to financial efficiency. This study has filled a gap in the existing literature concerning the influence of audit control on financial expenditure, which was not detailed in prior research. In healthcare organizations, the budget serves as a benchmark for assessing actual performance. By conducting a comparative analysis of concrete financial outcomes, such as revenues and expenses, against the established budgetary forecasts, organizational leaders can assess the financial health and effectiveness of the organization. Significant deviations from the budget may indicate specific areas that require additional examination and analysis. If expenditures consistently surpass the allocated budget, it may suggest deficiencies in resource allocation or the need for implementing cost-reduction measures. By conducting a comparative analysis of concrete financial outcomes, such as revenues and expenses, against the established budgetary forecasts, organizational leaders can assess the financial health and effectiveness of the organization.

Significant deviations from the budget may indicate specific areas that require additional examination and analysis. If expenditures consistently surpass the allocated budget, it may suggest deficiencies in resource allocation or the need for implementing cost-reduction measures. Conversely, in cases where the generated revenues surpass the initial projections, there exists a prospect to allocate resources towards the development of novel services or the enlargement of pre-existing ones (Irungu, 2016).

According to Isaboke and Kwasira (2016), hospitals face difficulties in accessing and executing high-level budgeting processes. According to Isaboke and Kwasira's (2016) research, several local governments have not been effectively scrutinizing internal audits during the budgeting process and implementation. As a result, mismanagement, inadequate control, and reduced budget execution have been observed in their activities and operations. Nonetheless, there is a lack of substantiated confirmation regarding the accountability reports that non-budgetary agencies submit to Districts, as well as the activities reported that require follow-up. This means consequently, there have been instances of mismanagement, insufficient oversight, and diminished budget execution in their activities and operations. However, there is an absence of verified confirmation concerning the accountability reports submitted by non-budgetary agencies to the Districts, along with the activities reported that necessitate follow-up. Regular follow-up should have been conducted by the Internal Audit department (Isaboke & Kwasira (2016). The non-budgetary agencies have been identified as a persistent source of the misapplication and mismanagement of public funds (Isaboke & Kwasira, 2016).

In addition to financial metrics, the budget facilitates the tracking of non-financial performance indicators. Healthcare entities have the ability to establish objectives for crucial performance metrics, commonly referred to as key performance indicators (KPIs), that pertain to patient

contentment, care quality, patient results, and operational effectiveness. According to Järvinen (2016), hospitals can enhance their overall performance and pinpoint areas for improvement by monitoring these key performance indicators (KPIs) in conjunction with their financial performance (Järvinen, 2016).

A recent investigation carried out in Kenya by Kairu et al. (2021) sought to examine the effects of the budgeting process on the budget performance of state corporations in Kenya, specifically focusing on Kenyatta National Hospital (KNH). The results indicated that participation in the budgeting process had a significant and positive impact on the budget performance of state corporations. The study's findings imply that during the budget preparation phase at KNH, management actively seeks contributions from their staff in the form of requests, opinions, and suggestions (Kairu et al., 2021). An additional discovery has indicated that the personnel at Kenyatta National Hospital are engaged in monitoring and overseeing budgetary matters. The study has determined that projects for budget alteration put forth by KNH Staff are given due consideration. As a result, it is recommended that staff projects be taken into account, given that budget participation is evaluated based on the staff's capacity to influence budget design and the degree of consultation between staff and superiors on budget-related matters. The aforementioned studies highlight the intricacy involved in incorporating need-based and supply-side variables into budgetary determinations for healthcare personnel and administrators (Musiega et al., 2022). According to Kairu et al. (2021), the research highlights the importance of meticulous selection of need indicators for the purpose of budget allocation. Additionally, the study underscores the need for decision makers to exercise caution in order to avoid creating perverse incentives, which may result from the exaggeration of need indicators to secure higher budget levels (Kairu et al., 2021). Furthermore, the aforementioned studies have established a strong positive correlation between

indicators based on need and budgetary allocations, accounting for approximately 50 to 70 percent of the observed variance. A variety of need-based indicators are frequently employed, such as the total population, the number of elderly individuals, and the population of children under five years old. Furthermore, the total population is often analyzed through various demographic factors, while socio-economic elements like unemployment rates and poverty levels are also considered. Another significant need-based indicator is disease burden, which refers to the extent of ill health or the epidemiological context. Additionally, supply-side indicators, including the quantity of healthcare facilities, the number of health workers, and the usage of outpatient department services by the target demographic, are often evaluated. Research findings suggest a link between staff participation in the budgeting process and the overall effectiveness of the organization or local government. It is essential for staff members to have competency in budgetary skills to engage effectively in the budgeting processes, which encompass planning, formulation, and execution, to achieve success. Healthcare professionals and administrators must have the requisite knowledge and skills to accurately develop departmental budgets and assess the resources necessary to meet the intended objectives and goals. Numerous need-based indicators are commonly utilized, including population size, elderly population, and population size of children under the age of five. Additionally, population size is often further broken down by demographic factors, while socio-economic factors such as unemployment or poverty level are also taken into account. Disease burden, which encompasses the level of ill health or epidemiological profile or context, is another important need-based indicator. Supply-side indicators, such as the number of health facilities, health workers, and utilization of outpatient department services by the target population, are also frequently considered. The research findings indicate a correlation between staff involvement in the budgetary process and the overall performance of the organization or local government. The

staff must possess budget skills competency to effectively participate in the budgetary processes, including planning, formulation, and execution, to ensure their success. It is imperative for healthcare professionals and administrators to possess the knowledge and skills necessary to develop departmental budgets accurately assess the resources needed to attain the desired objectives and goals for the upcoming fiscal year (Kairu et al., 2021).

The process of budgeting in healthcare organizations facilitates the conduct of variance analysis, which entails the comparison of actual performance against the budgeted performance. Variances can be classified as either favorable or unfavorable, which signifies whether the actual performance is above or below the budgeted performance. The process of variance analysis facilitates the identification of root causes and the implementation of suitable remedial measures. In the event that a department consistently surpasses its allocated expenses, it may necessitate heightened surveillance, implementation of cost containment strategies, or enhancements to its processes to optimize efficiency. The budgeting process within healthcare organizations enables the execution of variance analysis, which involves comparing actual performance to budgeted performance. Variances can be categorized as either favorable or unfavorable, indicating whether actual performance exceeds or falls short of budgeted performance. The variance analysis process aids in identifying root causes and implementing appropriate corrective actions. If a department consistently exceeds its designated budget, it may require increased monitoring, the adoption of cost containment measures, or improvements to its processes to enhance efficiency. Conversely, departments that exhibit a consistent performance that surpasses their budgeted expectations may receive recognition and incentives for their accomplishments (Keng'ara & Makina (2020). Moreover, the budget functions as a retrospective instrument, enabling healthcare establishments to gain insights from previous performance and modify forthcoming operations correspondingly.

Through the examination of past data, trends, and patterns, healthcare facilities can ascertain their strengths and weaknesses, thereby pinpointing areas that require enhancement. The utilization of insights gained from past budget cycles can enhance the quality of decision-making in subsequent cycles, resulting in improved precision in forecasting, optimal allocation of resources, and strategic planning (Keng'ara & Makina, 2020).

2.2.3 Management Perspective and Strategic Plan Implementation

The manner in which the budget is perceived and experienced may differ across various levels of management and departments within the healthcare facility. The budgetary requirements and priorities of General, Orthopedic, Dental, and Eye units may vary based on their individual scopes of practice and patient populations. The budgeting approach of management could be influenced by variables such as their degree of participation in the procedure, availability of financial data, and responsibility for financial outcomes. The comprehension of these fluctuations may facilitate the detection of prospective obstacles and prospects for enhancement in the budgetary procedure at PCEA Kikuyu Hospital (Kamau et al., 2017). Management's perspective can be influenced by the extent of participation in the budgeting process. Increased managerial involvement and contribution in the budgeting procedure is positively associated with a heightened sense of possession and responsibility towards financial consequences. The implementation of participative budgeting, which involves the inclusion of departmental managers and staff in the budgeting process, can promote a collaborative organizational culture and guarantee that budgetary determinations are based on frontline expertise (Hillier et al., 2019). The perspective of management on budgeting can be influenced by the accessibility of financial information. The provision of precise and punctual financial information is of utmost importance for managers to effectively oversee organizational performance, monitor expenses, and make well-informed

decisions. According to Kidholm et al. (2015), the proactive management of a department's financial performance and the implementation of corrective actions can be facilitated by providing managers with convenient access to financial information and budget reports (Kidholm et al., 2015). Effective communication and collaboration are necessary to address the variations in management perspective and departmental requirements. It is recommended that a consistent means of communication be established between upper-level management and departmental managers to guarantee congruence of financial objectives and preferences. According to Fried et al. (2018), the dissemination of financial information and the provision of budgetary process training can improve managers' comprehension of the budget and their capacity to efficiently manage resources (Fried et al., 2018).

Kihuba et al. (2016) state that one of the objectives of budgeting is to enhance institutional management by facilitating accurate resource allocation decisions. The allocation of resources in public institutions should be balanced in consideration of the factors generated by the characteristics of the various services provided. The scrutiny of budget formats and processes is essential to determine their specific utility, while also taking into account the capacity of the management staff. According to Muthama (2016), the primary responsibility of the professionals overseeing these institutions is to ensure the continuous flow of resources within them (Muthama, 2016). The process of resource allocation in hospitals plays a significant role in the evolution of the internal structure of the institution and its interaction with the external environment with respect to growth. This approach offers a framework to educate and direct the conduct of healthcare practitioners in hospital settings. By engaging in effective planning and budgeting, public hospitals can efficiently allocate limited resources. The allocation of resources within hospitals is crucial to the development of the institution's internal structure and its relationship with the external

environment concerning growth. This methodology provides a framework to train and guide the behavior of healthcare professionals in hospital environments. Through effective planning and budgeting, public hospitals can optimize the distribution of their limited resources. This involves developing strategies based on historical data and the specific needs of the hospital. This approach offers a structured framework for training and directing the conduct of healthcare professionals within hospital settings.

By implementing efficient planning and budgeting, public hospitals are able to enhance the allocation of their scarce resources.

This process entails formulating strategies that are informed by historical data and tailored to the unique requirements of the hospital. According to Koller and Khullar (2019), the primary responsibility of the finance official within an institution is to guarantee the long-term financial viability of the hospitals (Koller & Khullar, 2019).

Liebler and McConnell (2020) claim that the survival of a hospital is contingent upon the availability of cash. The foremost rationale behind implementing a cash budget is to effectively manage cash inflows and outflows. Forecasting cash flow necessitates considerable deliberation and preparation due to the frequent fluctuations in reimbursement rates from Medicare, Medicaid, and Health Maintenance Organizations (HMOs). It is recommended that cash flow be assessed on a monthly basis to facilitate management's ability to anticipate potential cash deficits and explore potential funding options, if deemed necessary. During the process of preparing the line-activity budget, hospitals undergo a specific procedure. Initially, the budget committee is designated. Upon their appointment, the individuals convene meetings to establish consensus on crucial definitions, assumptions, and documentation formats. They also ascertain and arrange any requisite training or significant meetings, assess the budget of the preceding year, and predict revenues and expenses

based on program objectives and assumptions (Muga et al., 2018). Subsequently, the budget project is finalized, prompting correspondence between the budget committee and departmental managers. Subsequently, discussions and modifications are carried out, culminating in the endorsement of the budget. Finally, the budget has been put into effect (Liebler & McConnell, 2020). The aforementioned process aligns with the findings of Moses et al. (2021), who assert that the act of formulating and reaching consensus on a budget serve as a mechanism for converting the overarching goals of an entity into a comprehensive and achievable course of action (Moses et al., 2021).

2.2.4 The budget process committee and Strategic Plan Implementation

Faith-based hospitals play a vital role in providing healthcare services within communities, often guided by their religious principles and values. The budget process committee in these institutions holds significance in managing financial resources effectively.

In a study conducted by Hachesu et al. (2016) in the United States investigated the budget process committees within faith-based hospitals, the study underscored the significance of involving multiple stakeholders in the committee to guarantee a wide range of viewpoints and knowledgeable decision-making Hachesu et al., (2016). The involvement of hospital administrators, financial officers, medical staff, and representatives from the religious community was emphasized by the authors (Hachesu et al., 2016).

Koller & Khullar (2019) conducted research in the United Kingdom on the committees responsible for the budgeting process at faith-based hospitals. Their research demonstrated the need of including multidisciplinary teams within the committee in order to satisfactorily address the many needs of patients and members of the community (Koller & Khullar, 2019). The authors believed

that the engagement of healthcare professionals, financial experts, patient advocates, and religious leaders would be beneficial to the process of collaborative decision-making (Koller & Khullar, 2019).

According to a study conducted by Kamau et al. (2017) at St. Luke's Hospital in the Western region, the hospital's budget process committee is composed of members from various departments, including finance, medical services, procurement, and community outreach. The committee bears the responsibility of organizing the budgetary preparations, scrutinizing financial information, and proposing resource distribution in accordance with the hospital's requirements and preferences (Kamau et al., 2017).

According to Muga et al. (2018), the hospital's budget process committee in the Coastal region is comprised of individuals from various departments, including finance, administration, clinical services, and human resources (Muga et al., 2018). The budgeting choices are made with the hospital's goal and vision in mind, but also taking into consideration the unique healthcare issues that the coastal area presents. Additionally, they keep an eye on the hospital's financial health and provide regular reports to the management (Muga et al., 2018).

Furthermore, Williams (2020) conducted a study in Malawi to investigate the budget process and committee compositions in faith-based hospitals. The study revealed that budget committees within these healthcare facilities generally comprise of individuals from the hospital's management team, medical practitioners, financial officers, and members of the religious institution responsible for the hospital's administration (Williams, 2020). The main function of the committee is to guarantee that the budget is consistent with the hospital's strategic goals, caters to the requirements of the community, and complies with financial regulations. The study's results revealed that the budget committees in the hospitals under investigation consisted of a composition of hospital

administrators, clinicians, finance officers, and representatives from the religious organization (Williams, 2020).

According to the findings of Keng'ara & Makina (2020) research, which investigated the make-up of budget process committees at faith-based hospitals in Tanzania, it is critical to include committee members who come from a variety of professional and educational backgrounds. Experts in the fields of finance and medicine, together with members of the local community and representatives of various religious groups, might be among these individuals. The committee is often presided over by a senior executive or a financial officer who is responsible for monitoring the choices regarding the budget (Keng'ara & Makina, 2020).

According to Koller & Khullar (2019) In any organization, the budget committee holds a vital position in facilitating effective financial planning and decision-making. Establishing clear goals, timelines, and expectations is critical for a seamless budget process. They begin by aligning the objectives of the budget committee with the overarching goals of the organization. This alignment guarantees that the budget process is in support of the organization's strategic direction. They involve key stakeholders, including department heads and finance managers, in the budgeting process. Their contributions and insights are essential for formulating realistic goals and expectations. They set definitive timelines for each phase of the budget process, which encompasses data collection, analysis, and review. This approach fosters accountability and ensures that deadlines are met. It is important to clearly communicate the expectations regarding budget submissions, which include the necessary level of detail, format, and supporting documentation. This clarity aids in streamlining the review process and promotes consistency. They also promote collaboration among the members of the budget committee and stakeholders. This can be accomplished through consistent meetings, brainstorming sessions, and maintaining

open lines of communication (Williams, 2020). Collaboration improves the quality of budgetary decisions and cultivates a sense of ownership. They also acknowledge that unforeseen changes may arise during the budgeting process. It is essential to incorporate flexibility into the timeline and decision-making framework to adapt to unexpected situations. By examining historical budget data, one can identify trends, patterns, and areas that require enhancement. This data-driven methodology offers valuable insights for establishing realistic objectives and making well-informed budgetary choices. External factors are taken into consideration by evaluating elements that may influence the budget, including market conditions, industry trends, and regulatory shifts. This approach ensures that the budget remains responsive to the external landscape (Williams, 2020). They implement a comprehensive monitoring and evaluation system to assess budget performance against established goals. It is important to regularly review and modify the budget as necessary to remain aligned with objectives and address any discrepancies. Additionally, providing training and support to budget committee members and stakeholders enhances their comprehension of the budgeting process. This empowers them to contribute effectively and make informed decisions.

2.3 Theoretical Literature Review

2.3.1 The Priority Based Budgeting Theory

This theory was established by Chris Fabian in 2008 under the framework of Priority Based Budgeting (PBB). PBB is a management accounting approach that seeks to enhance profitability by urging managers to reassess their activities and establish priorities. Its objective is to minimize costs while directing organizational resources towards high-priority areas (Connolly & Ashworth, 2017). The PBB theory offers a comprehensive overview of the operating budget process across

the entire organization, identifying and ranking services (such as health programs) based on community priorities. Additionally, the diagnostic process aids organizational management in aligning funding decisions with priorities outlined in the strategic plan (Jones, 2016).

The priority based budgeting theory's perspective encompasses "Results," which are the fundamental reasons for an organization's existence and the services it aims to provide in the business sector. Results are defined in detail and elaborated upon, highlighting the factors that influence the outcomes an organization seeks to achieve, against which all programs and services will be evaluated and ranked. The methodology involved in implementing the PBB process can be divided into four distinct steps: defining and clarifying vision/results, identifying services and processes requiring funding, allocating resources to these services and processes, and scoring them based on the results achieved (Nafisatu, 2018).

In relation to this study, the priority-based budgeting theory illustrates the significance of budget planning in faith-based hospitals, specifically at PCEA Kikuyu Hospital. Budgetary planning entails establishing annual goals, identifying activities and processes within the hospital that require funding, allocating resources, including financial resources, and assessing production processes based on the results obtained. However, this theory lacks sufficient information regarding the budget committee, thus necessitating the relevance of the second theory, budget control theory. Greater Organizational Focus on this approach as it emphasizes tangible impacts and outcomes over mere inputs, facilitating the alignment of budgetary decisions with genuine priorities. By concentrating on results and the efficacy of service delivery, Priority-Based Budgeting (PBB) can cultivate a culture of accountability and ongoing improvement. Priority-based budgeting leverages program data to align resources with the organization's key priorities—an approach that promotes adaptability and responsiveness through regular assessments of the

organization's needs. Furthermore, the organization must be equipped to respond effectively in the event of a unforeseeable occurrences. Such situations often necessitate funding that may not have been previously included in the budget, requiring a highly agile approach to ongoing budget allocation. By reorganizing budgeting to focus on service areas and outcomes instead of individual line items and expenditure categories, PBB provides a comprehensive perspective on activities and their associated costs through a programmatic lens. (Connolly & Ashworth, 2017). This methodology enhances organizational effectiveness by delivering clear insights into actions and spending patterns. With a holistic understanding of resource allocation, budgeting teams can easily pinpoint inefficiencies and underutilized resources, reallocating funds to areas where they can achieve the greatest impact. Priority-based budgeting is an outcomes-oriented approach that holds promise as a practical method for fostering trust among employees. PBB necessitates a degree of program transparency regarding outcomes and data for effective implementation, and this transparency serves to strengthen trust. Typically, PBB initiatives are accompanied by a focus on community feedback and engagement, further contributing to trust-building. It fosters results-Oriented Strategic Planning. (Nafisatu, 2018). Priority-based budgeting illuminates resource allocation by assessing the relative impact of various programs and initiatives, thereby guiding strategic planning efforts through a comprehensive analysis of potential outcomes and benefits associated with different projects. By establishing desired outcomes via PBB and subsequently aligning these outcomes with a strategic plan to facilitate action and measure progress, strategic plans become focused on results, resonate with genuine community needs, and foster significant and positive change. This approach enhances the likelihood of successful implementation of strategic actions. By prioritizing investments in areas with the highest potential for positive impact, the hospital can optimize the effectiveness of its strategic plans and yield meaningful results for

the clients it serves. However, there are some drawbacks to Priority Based Budgeting. Like any major process change, many challenges associated with priority-based budgeting stem from managing internal cultural transformations. (Connolly & Ashworth, 2017). The implementation of PBB necessitates the establishment of a performance management culture and data-driven decision-making, a willingness to accept change, and a collaborative approach across departments to mitigate feelings of conflict. Any degree of budget reallocation carries a significant risk of fostering competition and perceptions of unfairness. Subjectivity in Prioritization: The process can be subjective and may be swayed by the viewpoints of the involved leaders. This subjectivity can introduce biases in resource allocation, potentially neglecting critical needs or opportunities. Additionally, there is (Perceived) Complexity Among Employees: Priority-based budgeting frequently entails an extensive analysis and evaluation of numerous programs and services to ascertain their alignment with organizational priorities. While this can be a complicated process, various tools and resources are available to assist in navigating it. Resistance to Change: The implementation of priority-based budgeting may encounter opposition from staff and other stakeholders who are accustomed to conventional budgeting practices, especially if it necessitates substantial changes in resource distribution or program financing. (Nafisatu, 2018). Risk of Overlooking Non-Prioritized Areas: Although priority-based budgeting directs resources towards high-priority initiatives, there exists a risk of neglecting or inadequately funding programs or services that do not directly correspond with established priorities, yet it still play a vital role in achieving overall organizational goals or supporting marginalized communities. Nevertheless, this issue is largely a matter of perspective and awareness; in fact, line-item budgeting has historically been the budgeting method with the least flexibility for underfunded sectors. Priority-based budgeting presents significant opportunities for departments that have traditionally received

insufficient funding. Addressing these challenges necessitates meticulous planning, engagement with the community and employees, as well as continuous assessment and refinement of the priority-based budgeting strategy to ensure it remains effective. Priority-based budgeting provides a strategic framework for resource allocation within public sector organizations. By emphasizing programs and services rather than departments, PBB facilitates a more accurate, responsive, and targeted allocation of available resources based on their relative significance—significance that can be assessed in various ways. (Jones, 2016).

We greatly appreciate the effective promotion of resource utilization; channeling funds towards higher-value programs or reassessing lower-value projects during periods of financial uncertainty or pressure.

2.3.2 The Budget Control Theory

This concept was introduced by Aaron Wildavsky in 1964. A well-structured budgetary control effectively addresses the organizational plan by establishing a robust implementation and execution framework, while also considering how to manage potential future risks and opportunities. Budgeting theory serves as a variance detector that identifies discrepancies between an organization's objectives and its performance. Furthermore, budgets are considered a crucial element of effective control, making them an essential aspect of the overarching idea of an efficient budgeting process. This theory is divided into two categories: descriptive and normative Koller & Khullar (2019). The descriptive category typically emphasizes close involvement. Additionally, theorists illustrate how events progress, identify trends, and infer causes, with a focus on local disparities and inequalities across different cases. In contrast, the normative theory tends to concentrate on a narrower range of observations compared to the descriptive theory and suggests that solutions may be based more on values than on empirical

observations. Budgetary control theory guarantees production efficiency through meticulous planning for the optimal utilization of resources. This theory plays a crucial role in ensuring the success of estimated records, thereby enhancing the utilization of cost accounting, which in turn offers insights into future costs. Consequently, cost variations can be abated through future planning. Each producer establishes a specific output for a designated period, allowing budgets to be employed to estimate the necessary amounts of finance, materials, labor, and other expenditures. Cost also regularized and facilitated by budgetary control, as the production process revolves around predetermined targets. In this context, actual costs are juxtaposed with budgeted costs, and any discrepancies are rectified by management. Budgeting serves as a valuable tool for policy formulation, enabling the periodic examination, restatement, and establishment of fundamental policies as guidelines for the entire organization (Keng'ara & Makina, 2020). Budgets address fundamental issues, compelling management to conduct an early analysis of its core challenges. This process is instrumental in making informed decisions. In contemporary times, budgeting directs capital and resources towards the most profitable avenues. Each producer categorizes expenditures, with fixed and variable expenses aiding in the identification of break-even points for output and sales. Budgetary control also provides insights into the capital required for the seamless operation of the organization. Furthermore, it offers knowledge regarding the potential for expansion, as every business leader aspires to grow their enterprise. Budgetary control supplies valuable information about the additional capital, labor, and risk necessary for expansion initiatives. From an administrative perspective, budgetary control acts as the vigilant eye of the managerial staff. No other management control method uncovers organizational weaknesses as swiftly as the systematic approach required for effective budgeting. Finally, when proper budgeting is implemented across various enterprises, it can

significantly strengthen the nation's economic framework. This theory is pertinent to this study as it elucidates the role and perspective of the budgetary committee within the budgeting process, including planning and control. The budget committee is tasked with overseeing the budgetary planning process, determining its implementation, and exercising control, which is utilized by faith-based hospitals as a framework for allocating expenditures and revenues, Koller & Khullar (2019). This theory will enhance the study's understanding of how the budget committee influences the budgeting process at PCEA Kikuyu Hospital. However, this theory lacks sufficient information regarding budget monitoring and evaluation as tools in the budgeting process. Monitoring and evaluation are essential for ensuring that budget goals are met and performance is achieved, thereby necessitating the application of Goal Setting theory.

2.3.3 Goal Setting Theory

Latham and Locke (1990) suggest that the theory of goal setting is founded upon the deliberate actions of human nature. The concept of goal-directedness posits that the behavior of institutions, individuals, and organisms can be viewed as a series of plans, encompassing both conscious and non-conscious actions. Goal setting theory aids in the establishment of specific, measurable, and challenging goals, which in turn leads to enhanced performance within an organization. Clear, specific, and ambitious goals are more motivating compared to unclear or easily attainable ones. Additionally, it assists in formulating achievable goals that can greatly enhance motivation and performance. The theory emphasizes that feedback is a crucial element of the goal-setting process.

The advantages of goal setting theory include a rise in employee involvement in ensuring goals are achieved and their obligation levels towards achieving goals. It fosters a positive behavior that enhances job gratification, enabling organizations to clearly articulate their objectives and effectively monitoring the performance progress. Furthermore, it encourages adherence to set

timelines and the attainment of proper performance system of measurement by providing employees with defined period for task completion, rather than a nebulous expectation of when their deliverables are expected. The goal setting approach has also contributed to the overall betterment of employees as their goals are more defined and achievable. According to the theory proposed by Locke and Latham, optimal performance can be achieved when individuals strive to do their utmost. These objectives have a lasting effect on the performance of both organizational units and individuals. According to Locke and Latham (1990), objectives pertaining to performance can be categorized into content, intensity, and specificity. The influence of goals on motivation and performance lies in their ability to direct individuals towards specific objectives, increase their level of effort, foster persistence in the face of obstacles, and facilitate the development of effective strategies to achieve desired outcomes. Through perseverance in the face of obstacles and difficulties, individuals can achieve acknowledgement, advancements, and various forms of compensation (Locke & Latham, 1990).

Consequently, this serves as a source of motivation for the employees to surmount obstacles and persist in their pursuit of success despite encountering setbacks. The implementation of challenging tasks incentivizes both individuals and departments to strive for increased efficiency, effectiveness, and personal fulfillment. As a result, this acts as a motivating factor for employees to overcome challenges and continue their quest for success, even when faced with difficulties. The introduction of demanding tasks encourages both individuals and teams to aim for greater efficiency, effectiveness, and personal satisfaction. This, in turn, fosters a sense of recognition and accomplishment. The goal setting theory posits that various departments and individuals should strive to raise their standards in order to achieve their goals, thereby contributing to the overall success of the institution (Wachira & Wang'ombe, 2019).

2.4 Conceptual Framework

The successful implementation of strategic plans relies on a multifaceted approach that encompasses budget planning, monitoring and evaluation, management perspective, and the active involvement of a dedicated budget committee. Each of these components plays a critical role in shaping the financial landscape and ensuring alignment with organizational goals.

2.4.1 Budget Planning

This is the initial step in the process, involves formulating comprehensive financial plans tailored to support the strategic initiatives outlined in the hospital's overarching plan (Chong et al., 2015). This process serves as the foundation, establishing a clear financial roadmap for the subsequent stages of plan implementation. Budget planning involves steps like; It involves assessing the organization's current income and expenditure which begins by reviewing the performance of the organization. your current income and expenses . It also involves setting financial goals and prioritizing as well as focusing on goals and priorities the organization has projected for the following financial year. Projection of the next financial period income and expenditures. Apportioning or allocating of available resources and planning for possible eventualities. Important to develop a budget tracker , and budget modification plan when the need be

2.4.2 Budget Monitoring and Evaluation

This is a systematic process that tracks financial activities against the strategic plan. This real-time assessment allows for timely adjustments, ensuring that financial decisions remain aligned with and effective in achieving strategic goals (Adhikara et al., 2022). It provides valuable insights into the impact of budget decisions, facilitating a dynamic and responsive approach.

Budget monitoring is important in ensuring the management is able to distribute the available resource evenly in the targeted monitoring and evaluation activities

It also ensure that all planned monitoring and evaluation activities have been undertaken successfully with the allocated funds to them.

Prior Planning of monitoring and evaluation activities if done early enough helps in proper program operations integrating the whole project budget.

Standard operating procedures that guide and helps in tracking all the activities and ensuring smooth running of the projects and all targets have been met within the allocated resources

2.4.3 Management Perspective

This refers to viewpoints and strategic decision-making approaches of hospital management significantly influence the overall organizational strategy and the allocation of resources for plan implementation (Barasa et al., 2017). Management perspectives shape the budgetary process, ensuring that financial decisions are congruent with the hospital's broader mission and objectives. Budget is important in ensuring organization's financial health or security. The management are able to ensure the available resources are Within the domain of effective business administration and resources are being utilized as purposed, the process of budgeting is also very crucial as it informs the management's current and future decisions which is key in smooth running of the organization

2.4.4 Budget Committee.

This committee oversees and advises on budgetary decisions, bringing together various stakeholders to contribute to the comprehensive and inclusive nature of the budgeting process (Cheruiyot et al., 2017). The involvement of a diverse committee ensures that different

perspectives are considered, enhancing the robustness of financial decision-making. The importance of the budget committee is to ensure proper and evenly allocation of organization's funds and by ensuring that these budget allocations are aligning with the organizational overall objectives as well as missions and the vision of the organization which ensures the strategic goal of the organization have been met. the budget committee are also responsible in ensuring they have a framework of monitoring the budget performance and by developing some policies that guides in evaluating historical performance, proper utilization of the budget and assist in future forecasting . Conceptual framework shows the relationship between the independent variable and dependent variable



Mount Kenya

University

Independent Variables

Dependent Variable

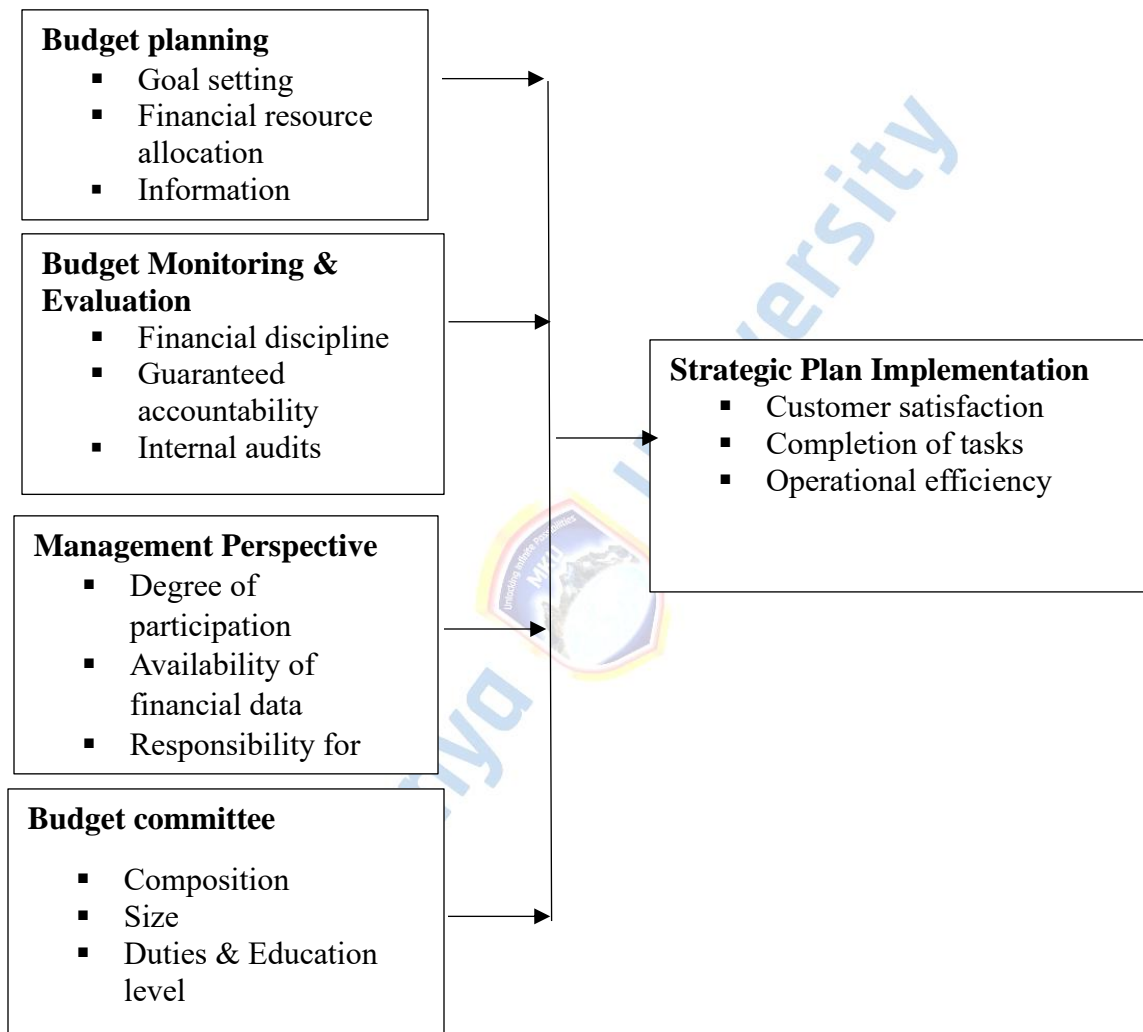


Figure 1: Conceptual Framework

Source: Author (2024).

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the methods used in conducting the study. The chapter discusses the study location, research design, target population, sample size, sampling techniques, data collection instruments and procedures, data analysis, and discussion as well as ethical issues.

3.2 Research Methodology

Research methodology refers to as a set of beliefs or philosophical assumptions about the way data regarding a phenomenon should be collected and analysed (Rahi, 2017). Tamene (2016) adds that, research methodology is set of generations of knowledge or methods that are guided by worldviews.

3.3 Research Design

Research design can be defined to as the overall strategy that one chooses to integrate the different components of the study in a coherent and logical way (McGregor, 2018). Karanja (2016) posits that research design gives researcher the general plan of how one will go about answering the research questions to effectively address of the research problem. Specifically, the study will use a descriptive cross-sectional research design and an exploratory research approach. The who, what, when, where, and how of a research subject may be gathered using a cross-sectional design, whereas an in-depth exploration of the issue can be achieved using an exploratory approach (Omware et al., 2020). Because HPTs management can be monitored at both hospital and staff capacities, which can readily be described and provide a wealth of information, This research design is considered to be highly suitable for the present study.

3.4 Study Site

The Presbyterian Church in East Africa (PCEA) was established in 1891 in Kibwezi by Scottish missionaries who eventually expanded their work to Thogoto. 53 natives were converted to Christianity in 1910 in Thogoto. By 1929, the total had increased to 5,369. The PCEA church eventually absolved the Scots who had relocated to Kenya as its faithfuls. Europeans and Africans had worshiped together as one church, but in 1936 they began to practice their faith independently. St. Paul's United Theological College has been training pastors and reverends for the church alongside Methodists and Anglicans since 1935. Located in Kiambu town, 25 kilometers from Nairobi, lies the PCEA Kikuyu Hospital, a religious-based facility. According to Kiambu County Government websites, there are 730 health facilities in Kiambu County, 7.9% (58) are faith-based facilities. PCEA Kikuyu Hospital is located on the premises of the Presbyterian Foundation and is owned by PCEA. The hospital now employs 480 people across a range of skills and has a capacity of 226 beds. The mission of PCEA Kikuyu Hospital is to serve as a model for other African Christian hospitals by providing comprehensive medical care. The hospital is divided into four primary departments: general, eye, orthopedic, and dentistry. Each of these departments is a vital source of income that contributes to the hospital's overall mission of delivering high-quality, and easily accessible medical care. The Chief Executive Officer of PCEA Kikuyu Hospital reports to the Board of Directors. Members of the board, who are selected by the church, define the hospital's overall strategic direction and provide the institutional framework necessary to ensure the institution operates in accordance with best governance standards. The hospital is run by a Chief Executive Officer who leads the council of hospital administrators. The hospital administrator, the head of finance, the head of human resources, the auditor, the chaplain, and the director of nursing services all make up the members. The whole group is involved in the hospital's budgeting process.

The study is confined at Presbyterian Church of East Africa (PCEA) Kikuyu Hospital which is one of the faith-based hospital located in Kiambu county. The hospital was chosen because it offers about 40% of the health care in Kiambu County and because lately it has been reported with financial misconduct and complaints like failure to pay suppliers, lack of health products, and technologies that result from ineffective budgeting process. PCEA owns Kikuyu Hospital, which is located on Presbyterian Foundation property. The hospital now employs 480 people across a range of skills and has a capacity of 226 beds. The hospital is divided into four departments: primary care, ophthalmology, orthopedics, and dentistry. The Chief Executive Officer of PCEA Kikuyu Hospital reports to the Board of Directors. Members of the hospital board are selected by the church to establish a vision for the hospital's future and to create effective systems for ensuring good governance. The hospital is run by a Chief Executive Officer -led council of hospital administrators. The hospital administrator, the head of finance, the head of human resources, the auditor, the chaplain, and the director of nursing services all make up the members. The whole group is involved in the hospital's budgeting process.

3.5 Target Population

The target population is typically a collection of individuals, items, or things having a certain set of characteristics that are interesting in relation to the phenomenon being studied (Elfil & Negida, 2017).

The target population assist in providing the population that assist in coming up with the sample of the study , they are essential in ensuring a well defined research scope has been achieved as well as they also support in ensuring the overview of the study . The study has targeted the hospital staff responsible in the budget process at PCEA Kikuyu hospital who comprise the department hospital administrators, head of finance, head of human resources, internal auditor, chaplain, and

director of nursing services. The study also targeted the Chief Executive Officer, directors, and the budget committee as the key informants for in-depth understanding of the phenomenon under the study.

Table 1: Hospital staff

Department	Number
Hospital administration	5
Finance	8
Human resource	4
Internal audit	2
Chaplain	2
Nursing services department	22
Total	43

Source: PCEA Kikuyu Hospital Records (2022)

Table 2: Number of key informants

Key informants	Target population
Chief Executive Officer	1
Directors	2
The Budget Committee	4
Total	7

Source: PCEA Kikuyu Hospital Records (2022)

3.6 Sampling Procedure and Techniques

According to Odhiambo et al. (2018), a sample design's effectiveness is determined by how effectively it captures the traits of the population it is intended to represent. PCEA Kikuyu Hospital

was purposively sampled due characteristics that ideal to be studied.. Total of 43 respondents were obtained through a combination of random and purposive sampling from the hospital staff responsible for budget process. Additionally, 7 key informants were purposively selected for in-depth interviews.

3.7 Sample Size

A portion of the population chosen to reflect the greater population is referred to as a "sample" (Levy & Goldfarb, 2021). The study's sample size is 43 respondents for quantitative (questionnaire) interviews and 7 key informants for qualitative research.

3.8 Research Instruments

Data collection is the process of obtaining information from study participants in order to test research hypotheses (Kothari, 2020; Pandey & Pandey, 2020). The quality of the information obtained depends on the data acquisition instruments and methodologies utilized (Gatuyu & Kinyuyu, 2020). As discussed above, the study employed data collection methods for both quantitative and qualitative research designs.

3.8.1 Interview Schedules

The research utilized interview schedules (questionnaires) which had two primary sections: the section one collected information on respondent profiles and the section two collected data on study variables. The interview schedules (questionnaires) were formulated to respond to research objectives and comprised of questions that were structured and limited to predetermined response options.

3.8.2 Key Interview Guide

A Key informant interview (KII) guide was used to obtain qualitative data from Chief Executive Officer, directors, and the budget committee as the key informants. The objectives of the research influenced the development of the interview guide.

3.9 Data Collection Procedures

Interview schedules were self-administered which were to hospital staff. Due to busy schedules of respondents, the researcher was distributing about nine surveys every day. As a result, five days were spent collecting the data. In-depth interviews were conducted with face-to-face with each key informant. Each key interview took about an hour to conduct.

3.10 Pretest of the Instruments

A pretest study denotes an initial small-scale examination carried out before a larger investigation (Truong, 2017). Pretesting significantly enhances or improves the validity and reliability of data collection instruments (Mbugua & Omagwa, 2017). However, to assure the accuracy of pretesting study, 1 to 10% sample size is acceptable. The study pre-tested the data collection tools in Nazareth Mission Hospital (NMH) which is located in Limuru Sub-county of Kiambu county. The hospital is a faith-based hospital with similar budgeting goals and other characteristics like PCEA Kikuyu Hospital. Pilot survey was only meant to improve the quality and flow of questions. Pilot sample size were 3 key informants 5 questionnaire (interview schedule) respondents. The data collected through pilot were only analyzed to improve the tools.

3.10.1 Testing instrument validity

Validity refers to how well an instrument accomplishes "what it is supposed to measure" or "what it purports to measure (Mueller & Knapp, 2018). The study employs both construct validity and

content validity. The interview schedule (questionnaire) was separated into various sections for construct validity. This ensured that each part responded to each objective and resonated with conceptual framework as recommended by Kothari et al. (2020). The content validity was ensured by questionnaires being thoroughly examined and improved. The instrument was appropriately modified before the actual data collection activity based on the responses from pilot survey. The participants' comments were examined to ensure that the validity of the information was increased. This means the validity of the content was confirmed through a comprehensive review and enhancement of the questionnaires and the instrument was suitably adjusted prior to the actual data collection process, taking into account the feedback from the pilot survey. The remarks from the participants were analyzed to guarantee an increase in the validity of the information.

3.10.2 Testing instrument reliability

Reliability is the consistency of results that the same person would obtain if they took the test repeatedly, in different contexts, on other forms, for different items, or with different raters (Mueller & Knapp, 2019). Reliability promotes openness, lessens the possibility of prejudice, and has additional advantages to give neutrality and credibility (Mohajan, 2017). Internal consistency evaluates the relationships among items within the same test (or within the same subscale of a larger examination) and determines if the scores from multiple questions that measure the same underlying construct are comparable (Kothari et al., 2020). The internal consistency of the constructs within the questionnaire was verified using Cronbach's Alpha Co-efficient. The scale value of the Cronbach's coefficient alpha (r) ranges between -1 and +1. The research relied on the following generalizations: $r > 0.6$ - Doubtful, $r > 0.7$ - Acceptable, $r > 0.7$ - Poor, and $r > 0.9$ - Excellent (Adeniran, 2019).

3.11 Data analysis Techniques and Procedures

Data processing refers to summarizing data from questionnaires into a manageable and consumable manner (Meaza, 2019; Sharma et al., 2021). Quantitative data were analyzed using SPSS Version 28 to yield descriptive statistics (i.e. frequencies) (see Meaza, 2019). The questionnaire data were in the likert scale of 1 to 5 which were entered into SPSS as (1=strongly disagree 2=disagree 3=neutral/undecided 4=agree 5=strongly agree). On the other hand, qualitative data were analyzed using thematic content analysis (TCA) to yield themes, patterns, and trends which were as narratives in the report.

3.12 Ethical considerations

The study guaranteed anonymity and confidentiality of participants. The participants' consent was sought before they were interviewed. They were allowed freedom to withdraw from research at any time or not to respond to certain questions. Data privacy and confidentiality were guaranteed in the whole interview process. The research had all the necessary documents which were shown to participants before embarking on interviews. The documents included introduction letter from Mount Kenya University, ethical clearance from Ethical Research Committee (ERC) of Mount Kenya University (MKU), and research license from National Commission of Science, Technology and Innovation (NACOSTI). Both ERC and NACOSTI permit are attached in the appendices.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSIONS

4.1 Introduction

This chapter contains research findings which are presented in form narratives, tables and graphs/charts. It also contains the interpretation and discussion of results.

4.2 Research Presentation, Interpretation and Discussion

4.2.1 Descriptive Analysis

Demographics

The response rate of the interview schedule (i.e. questionnaire) respondents was 98% (with 1 out of 43 failing to respond) while that of key informants was 100% (with all the 7 targeted participants responding favourably). The age of interview schedule (questionnaire) respondents ranged from 25 years to 65 years; with the mean age of 41 years. The gender of respondents consisted of 20 male (46%) and 23 female (46%). The education level consisted of 6 (14%) diploma, 12 (28%) masters, 1 (2%) PhD, 9 (21%) postgraduate, and undergraduate 15 (35%). The length of the time worked at the health facility ranged from 1 year to 34 years. Various sectors affect the budget process; however, budget planning affects it the most as shown in Table 3.

Table 3: Number of respondents by department

Sector	Number	Percent
1. Budget committee	1	23
2. Budget M&E	2	5
3. Budget planning	38	88
4. Management perspective	1	2
5. None response	1	2
Total	43	100

Budget planning and strategic plan implementation

As shown on Table 4, majority of interview schedule respondents agreed or strongly agreed with all factors that were used to assess budget planning in PCEA Kikuyu Hospital. Specifically, 54% said budget goal setting is essential in implementation of strategic plan; 58% said financial resource is constantly allocated to complete tasks in the health facility, while 74% were of the view that information gathering enables the health facility to operate smoothly. Similarly, 67% said that their department holds frequent meetings to share experiences and plan for program activities; 45% said their departmental annual budget plans are developed before the beginning of every year, while 75% said that the strategic objectives of their departments aligns with vision and mission statement. On other hand, 68% were of the respondents were of the view that their department uses score cards to track staff progress; 79% said all employees are made aware of budget plans in their departments, while 75% had the opinion that setting goals increases the implementation of strategic plan. In-depth interviews on budget planning , it has been revealed that there is a deficiency in collaboration among the staff within the departments and the budget committee.. The budget committee is said to collude with finance and audit departments to mismanage financial resources. Senior church leaders collude with the budget committee and financial and audit departments to misallocate and mismanage resources and as said by one of the key informants “this is what has caused lack of drugs and other essential supplies in this health facility”. This means the budget committee is reported to collaborate with the finance and audit departments to mismanage financial resources.

Senior church leaders are in collusion with the budget committee, as well as the finance and audit departments, leading to the misallocation and mismanagement of resources. As stated by one of

the key informants, "this is what has caused the shortage of drugs and other essential supplies in this health facility."

Table 4: Interview schedule responses for budget planning (measured on likert scale of 1-5)

No.	Statement	1=Strongly disagree 2=Disagree 3=Undecided/neutral 4=Agree & 5=Strongly agree. Note percentages are brackets					
		1	2	3	4	5	Total
1.	Budget goal setting is essential in the implementation of strategic plan in our facility	1 (16)	6 (14)	7 (16)	12 (28)	11 (26)	43 (100)
2.	Financial resource is constantly allocated to complete tasks in the health facility	4 (9)	5 (11)	5 (12)	21 (49)	8 (19)	43 (100)
3.	Information gathering enable operations in our hospital	2 (5)	-	9 (21)	19 (44)	13 (30)	43 (100)
4.	Our department holds frequent meetings to share experiences and planning for program activities to enhance operational efficiency	2 (5)	5 (12)	7 (16)	19 (44)	10 (23)	43 (100)
5.	Our departmental annual budget plans are developed before the beginning of every financial year	4 (9)	2 (5)	9 (21)	19 (42)	10 (23)	43 (100)
6.	The strategic objectives of the department align with mission and vision statement	-	-	11 (26)	19 (44)	13 (30)	43 (100)
7.	The department uses scorecards to track ones progress	3 (7)	2 (5)	9 (21)	20 (47)	9 (21)	43 (100)
8.	All the employees are made aware of the budget plans of the department, hence, job efficiency	2 (5)	2 (5)	7 (16)	19 (44)	15 (35)	43 (100)
9.	Setting budget goals increases the implementation of our strategic plan	2 (5)	2 (5)	7 (15)	21 (49)	11 (26)	43 (100)

Budgeting monitoring and implementation of strategic plan

As shown on Table 5, majority of interview schedule respondents agreed or strongly agreed with almost all the factors that were used to assess budget monitoring in PCEA Kikuyu Hospital.

Specifically, 49% of respondents were of the view that financial discipline leads to effective implementation of strategic plan; 44% said that internal audits enables the implementation of the strategic plan, while 61% were of the view that accountability enhances strategic service delivery. Similarly, 66% of respondents had the opinion that financial discipline facilitates accomplishment of strategic plan; 66% said that comparison which is done on regular basis enhances the accomplishment of the strategic plan, while 42% of respondents said that internal audits provides lessons that guide strategic plan implementation. Additionally, 42% of respondents had a view that monitoring is a continuous procedure that informs management and principle partner of progress made on implementation of strategic plan. In-depth interviews with key informants on budget monitoring supports the view that factors such as financial discipline, internal auditing, accountability mechanisms, and continuous monitoring are essential for implementation of strategic plan, there is need to strengthen budget monitoring process to seal resource mismanagement loopholes.

Table 5: Interview schedule responses for budget monitoring (measured on likert scale of 1-5)

No.	Statement	1=Strongly disagree 2=Disagree 3=Undecided/neutral 4=Agree & 5=Strongly agree. Note percentages are in brackets					
		1	2	3	4	5	Percent
1.	Financial discipline leads to effective implementation of strategic plan in our facility	6 (14)	8 (19)	7 (18)	9 (21)	12 (28)	43 (100)
2.	The internal audits enable implementation of strategic plan	8 (19)	4 (9)	10 (23)	14 (33)	6 (14)	43 (100)
3.	The facility budget management review enable implementation of current strategic plan	8 (19)	6 (14)	9 (20)	10 (21)	11 (26)	43 (100)
4.	Accountability enhances strategic service delivery	6 (14)	4 (9)	6 (16)	14 (33)	12 (28)	43 (100)

5.	The financial discipline in our facility facilitates accomplishment of strategic plan	3 (7)	8 (19)	3 (8)	14 (33)	14 (33)	43 (100)
6.	Comparison is taken on regular basis	3 (7)	8 (20)	3 (7)	14 (33)	14 (33)	43 (100)
7.	Internal audits provides lessons to implementing strategic plan	10 (23)	11 (25)	3 (10)	10 (21)	9 (21)	43 (100)
8.	Evaluating weaknesses produces insights that inform our decisions in unpredictable situations.	7 (17)	7 (17)	7 (17)	9 (21)	12 (28)	43 (100)
9.	Monitoring is a continuous procedure that informs management and principle partners of strategic pan progress	10 (23)	11 (26)	4 (8)	9 (21)	9 (21)	43 (100)

Budget committee and implementation of strategic plan

As shown on Table 6, majority of interview schedule respondents agreed or strongly agreed with almost all the factors that were used to assess budget committee in PCEA Kikuyu Hospital. Specifically, 49% of respondents said that budget composition enables completion of tasks in the health facility; 45% said customer satisfaction is guaranteed in facility, while 50% opined that gender of the budget committee enables implementation of strategic plan. Similarly, 52% of respondents said level of education determine rate at which tasks are completed; 46% said budget composition with more men enable better implementation of strategic plan, while 43% had the view that there is a system that exists for the reception of complaints from customers. Additionally, 45% of respondents said duties allocated to the budget committee are a source of complaints. In-depth interviews with key informants on budget committee revealed that the available mechanism for receiving complaints from customers is not effective nowadays as nobody is charged with that

responsibility and that budget committee is corrupt and needs to be reconstituted flesh and staffed with qualified people.

Table 6: Interview schedule responses for budget committee (measured on likert scale of 1-5)

No.	Statement	1=Strongly disagree 2=Disagree 3=Undecided/neutral 4=Agree & 5=Strongly agree. Note percentages are in brackets					Percent
		1	2	3	4	5	
1.	Budget composition enables completion of tasks in our facility	7 (16)	9 (21)	5 (14)	10 (23)	11 (26)	43 (100)
2.	Customer satisfaction is guaranteed in our facility	8 (19)	5 (12)	10 (24)	10 (24)	9 (21)	43 (100)
3.	Gender of budget committee facilities implementation of strategic plan	9 (23)	7 (17)	4 (9)	8 (19)	13 (31)	43 (100)
4.	Level of education determine rate at which tasks are completed	9 (21)	5 (12)	6 (15)	12 (28)	10 (24)	43 (100)
5.	Budget composition with more men enable implementation of strategic plan	8 (19)	3 (7)	12 (28)	11 (26)	8 (20)	43 (100)
6.	We have established a system for receiving complaints from customers at our facility.	8 (19)	11 (26)	5 (12)	6 (14)	12 (29)	43 (100)
7.	Duties allocated to budget committee bring a lot of complains	5 (12)	7 (16)	11 (26)	9 (21)	10 (23)	43 (100)

Management perspective and implementation of strategic plan

As shown on Table 7, majority of interview schedule respondents agreed or strongly agreed with all the factors that were used to assess management perspective in PCEA Kikuyu Hospital.

Specifically, 54% of the respondents said the degree of participation enables completion of tasks

in the health facility; 63% had the opinion that responsibility for financial outcomes influences customer satisfaction in health facility, while 54% said budget composition is guaranteed in facility. Similarly, 56% said availability of financial data facilitates the implementation of strategic plan; 48% said the responsibility of financial outcomes enables strategic plan implementation; and 57% said the responsibility for financial outcomes provide framework for strategic plan implementation. In-depth interviews with key informants on management perspective revealed that financial data are not available on time to be used in the implementation of the strategic plan.

Table 7: Interview schedule responses for management perspective (measured on likert scale of 1-5)

No.	Statement	1=Strongly disagree 2=Disagree 3=Undecided/neutral 4=Agree & 5=Strongly agree. Note percentages in brackets					
		1	2	3	4	5	Percent
1.	The degree of participation enables completion of tasks in our facility	7 (16)	8 (19)	4 (10)	10 (21)	13 (34)	43 (100)
2.	The responsibility for financial outcomes influence customer satisfaction in our facility	8 (19)	9 (21)	6 (14)	11 (26)	8 (20)	43 (100)
3.	The budget composition is guaranteed in our facility	5 (12)	10 (23)	4 (10)	10 (24)	13 (31)	43 (100)
4.	Availability of financial data facilitates implementation of strategic plan	5 (12)	10 (23)	4 (9)	10 (24)	13 (32)	43 (100)
5.	The responsibility of financial outcomes enables strategic plan implementation	5 (12)	12 (28)	5 (12)	13 (31)	7 (17)	43 (100)
7.	Responsibility for financial outcomes provide framework for strategic plan implementation	7 (16)	5 (12)	5 (12)	11 (26)	15 (31)	43 (100)

Strategic plan implementation

As shown on Table 8, majority of interview schedule respondents agreed or strongly agreed with all the factors that were used to assess strategic plan implementation in PCEA Kikuyu Hospital.

Specifically, 60% of respondents said there is a working plan to guide the provision in the department; 49% said customer satisfaction is guaranteed in the facility; 46% the health facility has a challenge of meeting targets and deadlines on time and within the budget, while 48% of said that departments have proper accountability mechanisms to ensure transparency and value for money. Similarly, 51% of respondents said that departments have developed public feedback mechanism to ensure efficiency; 42% had the opinion that there is a mechanism for receiving complaints from customers in the health facility; and 47% said the rating of customer satisfaction by the public is relatively not satisfactory. Additionally, 54% of respondents said that the current budgeting structure supports the implementation of the strategic plan. When key informants were probed on why there is a challenge of not meeting targets and deadline and are not within the budget, they said it was because of low staff morale caused by poor pay as expressed one of the participants, “there is rampant corruption in this hospital which is draining resources... very soon people will have no salaries and the hospital will have no drugs.” When asked why the facility was rated poorly by the public, key informants said there was hijacking of the hospital by a clique of a few people for their personal gain ... the hospital needs to restore its glory especially as a centre for eye treatment in the Eastern Africa”.

Table 8: Interview schedule responses for strategic plan implementation (measured in likert scale 1-5)

No.	Statement	1=Strongly disagree 2=Disagree 3=Undecided/neutral 4=Agree & 5=Strongly agree. Note percentages are in brackets					
		1	2	3	4	5	Percent
1.	We possess an effective strategy to direct our provision	5 (12)	7 (16)	5 (12)	16 (37)	10 (23)	43 (100)
2.	Customer satisfaction is guaranteed	7 (16)	7 (16)	8 (17)	11 (26)	10 (23)	43 (100)
3.	The facility faces a challenge in its program to meet targets and deadlines punctually and within budget constraints.	8 (19)	9 (21)	6 (14)	10 (23)	10 (23)	43 (100)
4.	The department has established appropriate accountability mechanisms to guarantee transparency and ensure value for money.	-	9 (21)	5 (11)	12 (28)	17 (40)	43 (100)
5.	The department has established a public feedback system to guarantee efficiency.	8 (19)	5 (12)	8 (18)	13 (30)	9 (21)	43 (100)
6.	We have established a system for receiving complaints from customers at our facility.	3 (7)	6 (14)	15 (37)	8 (19)	10 (23)	43 (100)
7.	The public's assessment of customer satisfaction levels is comparatively unsatisfactory.	3 (30)	4 (9)	6 (14)	12 (28)	8 (19)	43 (100)
8.	The current budgeting structure support the implementation of the current strategic plan	12 (28)	4 (9)	4 (9)	14 (33)	9 (21)	43 (100)

4.3 Discussion of individual objectives

- i) *To determine the influence of budget planning on strategic plan implementation at PCEA Kikuyu Hospital*

Results show that there are a number of factors that influence budget planning at PCEA Kikuyu Hospital. Key among them is gathering of information especially through medical research, patients' records, customer and staff satisfaction surveys, and complaint boxes. Another major factor is goal setting which is key for realization of the facility's objectives. Each department's objectives are well articulated and align well with the mission and vision of the facility, which has improved service delivery. Results also indicate that employees in the department are informed or made aware of budget plans which are key planning tools. Additionally, departments use score cards to monitor each employee's performance which has improved efficiency. It was evident however, that the hospital is reeling under rampant corruption which is causing shortage of essential medical commodities such as drugs and affecting service delivery.

ii) To determine the influence of budget monitoring at PCEA Kikuyu Hospital

Results indicate strongly that financial discipline, internal audits, and accountability are essential factors that influence budget monitoring. The rampant corruption experienced in the health facility is largely due to lack of or poor enforcement of the 3 factors which should be done by different departments or units.

iii) To establish the influence of budget committee on strategic plan implementation at PCEA Kikuyu Hospital

Results indicate that budget composition helps in completion of tasks which means there is need to involve the staff in developing budget so that they can clearly understand the budget items. Despite being involved in corruption, the budget committee was playing an important role of enabling implementation of the strategic plan, although there was need to reconstitute the team. One level of education determined the rate at which tasks were completed. This essentially means there is need to employ qualified people who will improve efficiency and service delivery in the health

facility. Other key factors included budget composition where men were seen to perform a bit better than women and mechanism for receiving complaints, which the health facility lacks at the moment.

iv) To establish the influence of management perspective at Kikuyu PCEA Kikuyu Hospital

Financial data were found to be crucial in influencing management perspective and there is need to avail on time for budget preparation. The participation of staff in budget planning and monitoring, and other work related activities was key in completion of the tasks. This is because participation provides one with an opportunity to learn and do. Another key finding is that financial outcomes of the organization influence customer satisfaction. This is true as customers wouldn't like to associate with an establishment whose cash flow is depressed.



Mount Kenya University

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter summarizes the research findings, draws conclusions based on based on research findings, and provides actionable recommendations to various audiences.

5.2 Summary of findings

In summary, rampant corruption in PCEA Kikuyu Hospital is affecting service delivery, gathering of information by the health facility is key for learning and managing customer and staff records, and sharing of department budgets improve transparency and efficiency in work environment. There is lack of or poor enforcement of financial discipline, internal audits, and other accountability measures in PCEA Kikuyu Hospital. There is poor understanding budget composition by members of staff which affects service; although said to corrupt, the budget committee is crucial for implementation of the strategic plan, and men were found to be effective in budget committees than women. Additionally, there delay in availing financial for budget planning and monitoring, staff are poorly involved budget planning, monitoring, and other work related activities which denies a chance to learn, interact, and provide feedback. And finally, financial outcomes were said to influence customer satisfaction.

5.3 Conclusions

There is need to have financial discipline in PCEA Kikuyu Hospital by enhancing internal audits and implementing wide range of accountability measures. Collecting and processing of should be encouraged as it improved staff efficacy and customer relations. There is need to continue sharing departmental budget with staff so they have a change to understand and own them, making it easy to implement them. The budget committee should be reconstituted with new people and with

varied skills and experience. Employ more educated and skilled personnel to understand their duties and can complete tasks within the required deadlines. There is need let the staff participate in budget planning and monitoring so that they understand the budget and their role in its implementation. The hospital should find a way of handling computer complaints and improving the reputation of the premier institution.

5.4 Recommendations for practice to:

i) Authorities

PCEA Kikuyu Hospital financial stability might be in question due to corruption being experienced there, hence need for the government (both county and national) to come to its rescue as well as facilitate its inclusion into Social Health Authority (SHA) Taifa Care (if not included).

ii) Service users/beneficiaries

Patients should advocate for well managed hospital which is corruption-free, affordable, and whose services can be accessed through Social Health Authority (SHA) Taifa Care.

iii) Other stakeholders

Corruption was found be a big problem in PCEA Kikuyu Hospital. There is need for civil society to seek inclusion into the budget committee to represent ordinary citizens. Additionally, PCEA administration especially senior leadership of the church should stop interfering with management of the hospital. Bus owners should think of restoring the town to hospital direct bus service which used to save customers time and money.

5.5 Recommendations for further research

The identical research ought to be conducted in five or more faith-based hospitals in Kiambu County with aim of generalizing results.



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APPENDICES

APPENDIX I: THE QUESTIONNAIRE

‘ANALYSIS OF BUDGET PROCESS ON STRATEGIC PLAN IMPLEMENTATION IN FAITH-BASED HOSPITALS IN KIAMBU COUNTY’

Definitions

Budget Process - This refers to the method by which a faith-based organization constructs its budget, encompassing planning, execution, oversight, and assessment.

Strategic Plan Implementation: This term describes how an organization ought to formulate, employ, and integrate its organizational structure, control mechanisms, and culture to pursue strategies that result in a competitive edge and enhanced performance.

Instructions

- i. Answer all the questions appropriately.*
- ii. Do not indicate your personal information.*
- iii. Information you provide will be kept confidentially and private.*

SECTION A: BACKGROUND INFORMATION

1. What is your age in specific years? _____
2. What is your gender
 - i. Male ()
 - ii. Female ()
3. What is your highest level of education completed?
 - i. Diploma ()
 - ii. Undergraduate ()
 - iii. Postgraduate diploma ()
 - iv. Master degree ()

v. Ph. D ()

4. How long have you worked in the management of Health products and technologies in years? *(Indicate specific number of years)* _____

5. Which factor of budget process do you think affect strategic plan implementation in your facility?

- i. Budget planning ()
- ii. Budget monitoring and evaluation ()
- iii. Management perspective ()
- iv. Budget committee ()

SECTION B: BUDGET PLANNING AND STRATEGIC PLAN IMPLEMENTATION

Serial no.	Statement	0=No answer 1=Strongly disagree 2=Disagree 3=Undecided/neutral 4=Agree & 5=Strongly agree. Tick where applicable.					
		1	2	3	4	5	0
1.	Budget goal setting is essential in the implementation of strategic plan in our facility						
2.	Financial resource is constantly allocated and taken through there is completion of tasks in our facility						
3.	Information gathering enable operations in our hospital						
4.	Our department holds regular meetings aimed at sharing experiences and planning program activities to enhance operational efficiency.						
5.	Our departmental annual budget plans are developed before the beginning of every financial year						

6	The strategic objectives of the department align with mission and vision statement						
7.	The department uses scorecards to track the progress of accomplishing tasks						
8.	All the employees are made aware of the budget plans of the department, hence, job efficiency						
9.	Setting budget goals increases the implementation of our strategic plan						

SECTION C: BUDGETING MONITORING AND IMPLEMENTATION OF STRATEGIC PLAN

Serial no.	Statement	0=No answer 1=Strongly disagree 2=Disagree 3=Undecided/neutral 4=Agree & 5=Strongly agree. Tick where applicable.					
		1	2	3	4	5	0
1.	Financial discipline leads to effective implementation of strategic plan in our facility						
2.	The internal audits enable implementation of strategic plan						
3.	The facility budget management review enable implementation of current strategic plan						
4.	The presence of guaranteed accountability enhances strategic service delivery						
5.	The financial discipline in our facility facilitates accomplishment of strategic plan						
6.	Comparison is taken on regular basis						
7.	Internal audits Incorporate both the anticipated and unforeseen results, while						

	providing insights for implementation. strategic plan						
8.	Assessing vulnerabilities yields insights that guide our choices in uncertain circumstances.						
9.	At our facility, the process of monitoring is continuous, providing management and key partners with insights regarding the ongoing mediation with early indicators of the progress of the strategic plan, or the absence of such progress, in attaining results.						

SECTION D: BUDGETING COMMITTEE AND IMPLEMENTATION OF STRATEGIC PLAN

Serial no.	Statement	0=No answer 1=Strongly disagree 2=Disagree 3=Undecided/neutral 4=Agree & 5=Strongly agree. Tick where applicable.					
		1	2	3	4	5	0
1.	Budget composition enables completion of tasks in our facility						
2.	Customer satisfaction is guaranteed in our facility						
3.	Gender of budget committee facilities implementation of strategic plan						
4.	Level of education determine rate at which tasks are completed						
5.	Budget composition with more males enable strategic implementation						
6.	We have established a system for receiving complaints from customers at our facility.						
7.	Duties in our budget						

	committee bring a lot of complains						
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SECTION E: MANAGEMENT PERSPECTIVE AND IMPLEMENTATION OF STRATEGIC PLAN

Serial no.	Statement	0=No answer 1=Strongly disagree 2=Disagree 3=Undecided/neutral 4=Agree & 5=Strongly agree. Tick where applicable.					
		1	2	3	4	5	0
1.	The degree of participation enables completion of tasks in our facility						
2.	The responsibility for financial outcomes influence customer satisfaction in our facility						
3.	The budget composition is guaranteed in our facility						
4.	Availability of financial data facilitates implementation of strategic plan						
5.	The responsibility of financial outcomes enables strategic plan implementation						
6.	We have established a system for receiving complaints from customers at our facility.						
7.	Responsibility for financial outcomes provide framework for strategic plan implementation						

SECTION F: STRATEGIC PLAN IMPLEMENTATION

Serial number	Statement	0=No answer 1=Strongly disagree 2=Disagree 3=Undecided/neutral 4=Agree & 5=Strongly agree. Tick where applicable.				
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		1	2	3	4	5	0
1.	We possess an effective strategy to direct provision						
2.	Customer satisfaction is guaranteed						
3.	The facility faces challenges regarding its program objectives and deadlines, which must be met within the specified timeframes and budgets.						
4.	The department has established appropriate accountability mechanisms to guarantee transparency and ensure value for money.						
5.	The department has established appropriate accountability mechanisms to guarantee transparency and ensure value for money.						
6.	We have established a system for receiving complaints from customers at our facility.						
7.	The assessment of customer satisfaction levels in our facility by external parties is comparatively unsatisfactory.						
8.	The current budgeting structure support the implementation of the current strategic plan						

Thank You!

APPENDIX II: ERC Certificate



REF: MKU/ISERC/3545

TO: Caroline Martha Muringi

Date: 28 March 2024

REG: MBA/113/01016

Dear Sir/Madam,

RE: ROLE OF BUDGET PROCESS ON STRATEGIC PLAN IMPLEMENTATION IN FAITH-BASED HOSPITALS IN KIAMBU COUNTY, KENYA

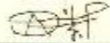
This is to inform you that **Mount Kenya University** has reviewed and approved your above research proposal. Your application approval number is **2589**. The approval period is **28/03/2024 - 27/03/2025**.

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,



The Chairman
Mount Kenya University
Ethics Review Committee
P.O. Box 342 - 0100, Thika

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

APPENDIX III: Introduction letter from MKU



DIRECTORATE OF GRADUATE STUDIES

MBA/113/01016

4th April, 2024

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

Dear Sir/Madam,


RE: CAROLINE MARTHA MURINGI - REGISTRATION NO. MBA/113/01016

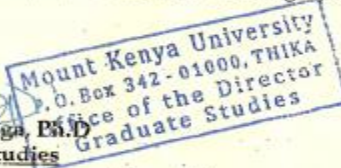
The purpose of this letter is to introduce the above named student who is pursuing **Master of Business Administration** in the department of **Accounting and Finance** in the school of **Business and Economics**

The title of the research is **"Role of Budget Process on Strategic Plan Implementation in Faith-Based Hospitals in Kiambu 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 **April 2024, and June 2024.**

Any assistance accorded to the student will be highly appreciated.

Thank you.


Dr. Samuel M. Karenga, Ph.D
Director, Graduate Studies
Enc.



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APPENDIX III: NACOSTI Research Licence


REPUBLIC OF KENYA


**NATIONAL COMMISSION FOR
SCIENCE, TECHNOLOGY & INNOVATION**

Ref No: 644201 **Date of Issue: 17/April/2024**

RESEARCH LICENSE



This is to Certify that Ms. Caroline Martha Muringi 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 Kiambu on the topic: ROLES OF BUDGET PROCESS ON STRATEGIC PLAN IMPLEMENTATION IN FAITH-BASED HOSPITALS IN KIAMBU COUNTY? for the period ending : 17/April/2025.

License No: NACOSTI/P/24/34602

644201

Applicant Identification Number


Director General
**NATIONAL COMMISSION FOR
SCIENCE, TECHNOLOGY &
INNOVATION**

Verification QR Code



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See overleaf for conditions

APPENDIX IV: Turnitin Report

Caroline Martha Muringi - Research paper Final.docx

by Caroline Martha Muringi

Submission date: 27-Jun-2025 11:09AM (UTC+0300)
Submission ID: 2706766874
File name: Caroline_Martha_Muringi_-_Research_paper_Final.docx (2.21M)
Word count: 20005
Character count: 119622

**ANALYSIS OF BUDGET PROCESS ON STRATEGIC PLAN IMPLEMENTATION IN
P.C.E.A. KIKUYU HOSPITAL IN KIAMBU COUNTY, KENYA**

Caroline Martha Muringi

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

JUNE 2025

