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Implementation Control and Organizational Performance in Major Private Hospitals in Nairobi County Kenya

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Abstract

Nairobi County has a dynamic healthcare sector with a number of private hospitals competing for the same market. Some of their challenges include rising operating costs, demanding regulatory requirements, reduced resources, and growing patient expectations. Such problems can impact their organizational performance. The objective was to assess the effect of implementation control on organizational performance in private hospitals in Nairobi County. This research project adopted a Cross-sectional survey research design. The research focused on 165 participants who were sampled among the management personnel of five identified private hospitals in Nairobi. Among them, 134 respondents returned questionnaires successfully, which would lead to a response rate of 81 percent. To identify the strength and significance of the relationships between the variables, descriptive statistics, Pearson correlation, and multiple regression analysis were used to analyze the data. Organizational performance had the most significant positive relationship with implementation control (r =.528, p <.01). Implementation control is important, therefore, as it will link strategic plans to day-to-day hospital work and will facilitate an ongoing process of improvement.

Keywords: *Implementation control; organizational performance; private hospitals; strategic management; Nairobi County; Kenya.*

1. Introduction

The healthcare landscape is constantly evolving, and healthcare organizations are increasingly facing pressure to deliver quality care, manage costs, and stay competitive. Meanwhile, they must navigate through complex systems, economic uncertainty, and evolving patient needs. If there is misalignment between strategy and daily operations, then resources may be misallocated, and the organization may not adapt to change. This can affect overall performance.

Implementation control is a procedure of tracking strategic tasks and milestones to determine whether the strategy implementation is on schedule. It allows the management to measure the incremental gains and implement remedial measures in case of deviation to keep operations within organizations in line with strategic goals (Ittner & Larcker, 2003). Management should ensure that the results of current activities are evaluated to ascertain whether the strategy needs to be modified. The implementation control assists organisations in determining how successful the implementation of strategic initiatives is and compares the actual performance of a new project with the planned outcome. This is done through the process of making corrective actions as and when required to stay focused on strategic objectives (Ittner & Larcker, 2003).

In this study, organizational performance is measured by the achievement of major private hospitals' strategic goals. Financial performance, operational efficiency, levels of patient satisfaction, quality of service, market competitiveness, and employee performance were used to measure it.

The study used samples from five major private hospitals in Nairobi County: MP Shah Hospital, Nairobi West Hospital, Aga Khan University Hospital, The Karen Hospital, and Nairobi Women's Hospital. These hospitals were considered suitable for the study because they are established private healthcare institutions with formal management structures, specialized services, and multiple functional departments where strategic control practices can be observed.

The study may also be of interest to hospital planners and other hospital employees who participate in hospital

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strategies. It emphasises the need for definitive performance measures, frequent feedback, good communication and prompt corrective action. This information can assist staff to focus their activities on the hospital's goals and increase their accountability, coordination, and service delivery.

Research Objective

To assess the effect of implementation control on organizational performance in private hospitals in Nairobi County.

2. Theoretical Framework

The agency theory concerns the relationship between the principal (the owner) and the agent (the manager), especially how the contracts may be made so that the managers will act in the owners' best interest. Here, the mechanism of implementation control is important since it aids in converting the decisions of the top management into action implemented by lower managers and eventually enhancing the organisation's performance (Jensen & Meckling, 1976). The theory is directly connected to the implementation control because it resolves the principal-agent problem, whereby the actions of managers are consistent with the owners' goals. Monitoring the implementation of strategic plans is the main concept of implementation control that will ensure that the organisational objectives are met in a way that will address the principal-agent issues. The agency theory has found extensive use in corporate governance research, executive compensation research and strategic management research, where the authors and researchers explore how incentives and performance controls can be applied to align the behaviour of managers with the interests of shareholders, thus increasing organisational effectiveness.

There are some drawbacks, however, to agency theory. Critics argue that it assumes both the principal and the agent are rational and mainly concerned with their own interests, which may not always reflect what happens in real organizations. The theory also tends to be financially centric and may not pay as much attention to other measures of performance such as employee satisfaction, innovation, trust, and cooperation. Despite this, agency theory has its merits in understanding the significance of incentive and monitoring systems in the area of implementation controls. With well-designed controls, these can minimize agency problems and support managers in their ability to adopt strategies aligned with organizational objectives and performance enhancement.

Empirical Review

The importance of implementation control is that it aids the organization in implementing its strategy effectively to attain performance targets. It has been studied in several instances, and in numerous other cases, well-designed control systems were employed to increase the efficiency of various industries. Improved financial and operational performance has also been correlated with performance indicators, feedback systems, and action plans.

Another definition of implementation control is by Kabeyi (2019), who stated that it is a tool that assists organizations to stay on track to achieve their strategic objectives. His research revealed that action plans, budgeting processes, and measures of effectiveness can enhance the efficiency and effectiveness of an organization. Kabeyi (2019) also highlighted the importance of the influence of implementation control on performance and successful execution of the strategies.

There is also relevant literature that can give insight into the benefits, boundaries, and limitations of implementing control. While there have been many positive studies, others caution that too much control can be detrimental. Merchant and Van der Stede (2007) pointed out that control is essential to the implementation of a strategy; however, too much control can make a company too rigid and have an impact on company performance in the long run. They believed that in a rapidly changing setting, organizations must weigh control against a "spectrum" of decision-making freedom, which allows them to be competitive. That can cause over-controlled behaviour, which decreases response speed to change and flexibility. Garengo and Betto (2024) also studied the link between implementation control, organizational culture and leadership. They found that both culture and leadership play an important role in determining how effective implementation control is. The review highlights that providing a positive culture and effective leadership can make a positive difference to implementation control and to performance in general.

All in all, the analysis of the influence of implementation control on the performance of organizations indicates that performance indicators, feedback mechanisms and action plan controls are vital tools for the achievement of strategic goals and objectives. As with implementation control, scholars emphasise the balanced approach because overemphasising procedures may restrain innovation in dynamic settings. Related studies have used both quantitative and qualitative methods. There have been quantitative studies that have established a link between implementation control and organizational performance, and qualitative studies have largely employed a case study methodology. In general, these studies have indicated that this integrated approach of control, innovation, and flexibility, along with employee development, can help organizations grow and enhance their performance.

3. Research Methodology

Research Design and Participants

This research project adopted a Cross-sectional survey research design. The researcher chose this design for collecting data because the research requires studying strategic control state and private hospital performance outcomes (Neuman, 2014). The cross-sectional design is convenient for descriptive and analytical procedures when the fundamental purpose is to identify correlation without intervening.

The target population for this research included the management staff of private hospitals in Nairobi, specifically the top and middle management categories. This group was selected because they are mainly involved in the implementation of strategic controls and have good information about the performance indicators in the

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organization. Due to this demographic, the study sought to obtain information on the implementation of strategic controls so that insights can be drawn from people directly involved in the strategic management processes (Fraenkel et al., 2019).

The research targeted a population of 555 management employees of the five chosen private hospitals in Nairobi.

The research sample comprised approximately 30% of the entire population of 555 individuals in the five hospitals, and the whole study population amounted to 555 people. Mugenda and Mugenda (2003) state that a sample size of 10 to 30 percent is sufficient for descriptive research with a relatively small population. Thus, 165 respondents were used to represent the sample, which was large enough to obtain credible and valid results that could be analyzed in detail.

The sampling process was initiated by stratifying the population in each hospital according to the departments that were identified. Subsequently, each department was randomly sampled to represent all the subgroups proportionately. This approach enhanced the validity and reliability of the study since it represented the views of various levels of management.

Data Collection and Research Instrument

Semi-structured questionnaires were the primary data collection technique in the given study.

The questionnaire used in the research was structured into sections consistent with the research objectives.

The questionnaires were distributed and collected through the Drop-Off and Pick-Up approach. This involved physically handing over the questionnaires to the targeted respondents and fixing a time to retrieve the completed questionnaires. This method is quite beneficial because it enables a respondent to ask questions that may seem ambiguous to him/her regarding the survey being administered. Further, it enhances the chances of getting a higher response rate as compared to mail or online surveys, according to Mugenda & Mugenda (2003).

Pilot Test and Instrument Quality

The pilot study was carried out at Avenue Hospital in Nairobi County, which was not included in the main study. This hospital was chosen because it is a private healthcare institution with management structures and service characteristics similar to the hospitals included in the main study. Performing the pilot test at Avenue Hospital helped the researcher to test the questionnaire in a comparable hospital environment and identify any weaknesses that required correction before the main data collection.

The pilot test used a 10% sample of the main study sample, as suggested by Mugenda and Mugenda (2003). Since the main study sample consisted of 165 management staff, the pilot test involved about 17 participants. This sample size was adequate for assessing the clarity, reliability, and administration of the research instrument.

The pilot test entailed the administration of structured questionnaires to selected management personnel at Avenue Hospital. Participants were required to complete the questionnaire and give comments on any confusing, repetitive, or vague items. Any logistical issues encountered during distribution and collection, including timing, respondent availability, or confusion over the response format, were also recorded. Information obtained from the pilot process was used to make necessary adjustments to improve the clarity, reliability, and validity of the research tool.

To increase the questionnaire's validity, content and face validity were considered. Content validity involves the instrument's comprehensiveness in capturing all aspects relating to the construct under consideration. This was done by conducting a literature search and consulting with faculty members in the field to ensure that the questionnaire captured all aspects of strategic control and organizational performance (Cooper & Schindler, 2014).

Face validity, on the other hand, entails making sure that the questionnaire seems like a valid measure to the participants. This was made possible through pilot testing the questionnaire with participants who offered feedback on the comprehensiveness and appropriateness of the questions. These were adopted to enhance the format of the questionnaire as recommended so as to depict the intended information clearly.

A reliability analysis test was performed to identify the internal consistency of the question items applied in the study. The test was anchored on the information acquired during the pilot study, which comprised 10 percent of the entire sample of a private hospital not part of the primary research. Alpha coefficients of both variables were calculated to determine the reliability of both scales of measurement.

Table 1 Reliability Test Results

Construct	Items	α
Implementation Control	9	0.812
Organizational Performance	15	0.867

The findings in Table 1 show that all Cronbach's alpha coefficients were above the recommended threshold of 0.70.

Data Analysis

The data analysis process begun with data cleaning, coding, and entry into SPSS. Data cleaning is the process of verifying and eliminating invalid entries in the obtained data set. This helped to make sure that the data set to be used for analysis was as authentic as possible. After the data had been cleaned, it was coded where responses were given numerical values for analysis purposes. This coded data was then keyed into SPSS, which is a reliable statistical package for data analysis, as recommended by Tabachnick and Fidell (2013).

Pearson's correlation analysis determined the strength and direction of linear relationships between each independent variable and organizational performance. This helped to identify whether the relationships are positive or negative, and to what extent they were statistically significant. Since there

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were four independent variables (implementation control, premise control, special alert control, and strategic surveillance) and one dependent variable (organizational performance), multiple regression models were employed to address the research objectives and research questions formulated in this study.

The article presents the implementation control findings from the adjusted model.

Ethical Considerations

The data collection process for this study followed the following steps to make it efficient, ethical, and effective. First, necessary approvals and consents were obtained. This involved approaching the St. Paul University's ethics review board for permission. Approval was also obtained from NACOSTI, and permission was granted by the management of the major private hospitals to conduct the study in their facilities. Furthermore, all participants received information about the aim and procedures of the study and their rights, and all participants signed an informed consent form.

In this study, the ethical guidelines were observed carefully during the research process. Informed consent forms were signed after the participants were informed clearly about the purpose of the study, the procedures involved as well as their rights including the right to withdraw at any time. All the answers were coded to maintain the identity of the participants and the information obtained was kept in a secure place to maintain confidentiality.

4. Findings

Response Rate

The research focused on 165 participants who were sampled among the management personnel of five identified private hospitals in Nairobi. Among them, 134 respondents returned questionnaires successfully, which would lead to a response rate of 81 percent. This percentage is deemed to be a satisfactory rate of analysis of data because Mugenda and Mugenda (2003) insist that the response rate of 70 percent or above is a sufficient rate to carry out descriptive research.

Implementation Control

Table 2 Descriptive Statistics for Implementation Control

Item	M	SD
The hospital uses clear KPIs to track the progress of initiatives	3.10	1.27
Departmental targets are cascaded from the strategic plan	3.28	1.23
Managers review KPI dashboards on a routine schedule	3.52	1.17
Staff receive timely feedback on strategy implementation	3.59	1.19
Corrective actions are documented and communicated after reviews	3.62	1.26
Lessons from completed projects are shared across departments	3.49	1.26
Strategic initiatives have documented action plans with timelines	3.60	1.23
Milestone reviews are conducted to check adherence to action plans	3.54	1.27
Deviations from plans trigger follow-up and accountability	3.54	1.29

M = mean; SD = standard deviation. Responses were rated on a five-point scale from strongly disagree to strongly agree.

For example, only 16.4% of respondents strongly agreed that hospitals use clear KPIs to track progress, while 27.6% disagreed, giving this item a relatively low mean of 3.10. In contrast, feedback-related items were rated more positively. About 31.3% strongly agreed that corrective actions were documented and communicated after performance reviews, while 28.4% strongly agreed that staff received timely feedback. These items had a relatively high mean score of 3.62 and 3.59, respectively. The mean scores of milestone reviews and deviation follow-ups were 3.54, with approximately 30 percent of the respondents strongly agreeing with it.

Organizational Performance

Table 3 Descriptive Statistics for Organizational Performance

Item	M	SD
The hospital meets or exceeds its annual revenue and cost-efficiency targets.	3.78	1.06
Cash-flow and procurement practices support stable operations.	3.74	1.08
Capital investments (equipment, IT) yield expected financial returns.	3.80	1.05
Patient throughput and turnaround times have improved over the past year.	3.81	1.05
Theatre/bed/equipment utilization is optimized across departments.	3.82	1.05
Process standardization has reduced delays and rework.	3.76	1.06
Patient satisfaction scores have improved over the past year.	3.88	1.00
Complaints are resolved promptly and inform service improvements.	3.81	1.03
Patient experience initiatives have enhanced perceived quality of care.	3.73	1.16

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Item	M	SD
The hospital has maintained or grown its share in key service lines.	3.73	1.14
Referral volumes from insurers/physicians have increased.	3.69	1.21
The hospital's brand is competitive relative to peer private facilities.	3.81	1.05
Staff morale and retention are strong in most departments.	3.70	1.15
Continuous professional development improves staff performance.	3.81	1.13
Performance appraisal outcomes show year-on-year improvement.	3.79	1.11
Performance appraisal outcomes show year-on-year improvement.	3.79	1.11

M = mean; SD = standard deviation. The values represent management staff responses to the performance statements.

The descriptive results in Table 3 show that most hospitals demonstrated moderate to strong agreement with statements measuring organizational performance. The majority (61.9%) of the respondents said they achieved annual revenue and cost-efficiency objectives in their hospitals, with a mean of 3.78 (SD = 1.06). There was also a considerable level of agreement (60.5%) on indicators of financial stability, including the cash flow and procurement practices, indicating good financial management amongst the hospitals. Operation efficiency measures, such as patient throughput and equipment use, had some of the highest mean scores (M = 3.81 and M = 3.82, respectively), and this suggests that measures are being taken to enhance the hospital's operations.

The service quality indicators also fared well, where 66.4% of the respondents agreed or firmly that patient satisfaction improved, and 64.2% affirmed that complaints were addressed promptly. This is evidence of increased focus on quality assurance and patient-centered care.

The outcomes related to the employees, including morale and retention, were lower in scores (M = 3.70, SD = 1.15).

These findings imply that, although performance management structures exist, there is a variation between the uniformity and extent of their application across the departments.

Correlation Analysis

Table 4 Correlation Between Implementation Control and Organizational Performance

Variables	r	p
Implementation control and organizational performance	.528	< .01

N = 134. The correlation is significant at the 0.01 level using a two-tailed test.

Organizational performance had the most significant positive relationship with implementation control (r =.528, p <.01). The discovery further implies that the more closely tracked within their operations are the hospitals regarding the types of performance indicators, the more often the strategic actions are reviewed, and the way the system of feedback is structured, the higher the level of operational efficiency and general effectiveness will be. The findings demonstrate a positive direct correlation between performance and the measure of implementation control- that is, the more the practices are in control, the better the performance outcomes.

Adjusted Regression Findings

Table 5 Implementation Control in the Adjusted Regression Model

Statistic	Value
B	0.326
Standard error	0.056
β	0.423
t	5.807
p	0.001

The adjusted model also included premise control, special alert control and strategic surveillance.

Implementation control was the strongest predictor, with B = 0.326, β = 0.423, t = 5.807, and p = .001. This means that hospitals with stronger systems for monitoring progress, giving feedback, reviewing performance, and following action plans were more likely to report better organizational performance. It also agrees with Kabeyi (2019), who emphasized that implementation control helps organizations align daily operations with strategic objectives. In the context of private hospitals, this suggests that strategy execution works better when managers regularly monitor progress and take corrective action.

5. Discussion

Comprehensively, the findings reveal that even though the implementation control in private hospitals in Nairobi has been adopted in a number of aspects, there is a lack of consistency in the application of the practices. Performance measurement and cascading of targets are not as well developed, but the feedback mechanisms and accountability mechanisms seem to be. This trend indicates that hospitals are more inclined to provide reactive feedback and corrective measures, but fail to plan and monitor ongoing progress with the help of key performance indicators (KPIs).

These results agree with other studies that underline the necessity of balanced and systematic controls of implementation. Nevertheless, the average scores in this work resonate with the points that Merchant and Van der Stede (2007) made, as they indicated that too strict systems may limit flexibility, yet weak adoption hinders efficacy. Garengo and Betto (2024) also highlighted that leadership and

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organizational culture are important factors in institutionalizing such practices. The imbalanced application of KPIs and cascading of targets in the Nairobi situation implies that cultural and managerial aspects might frustrate complete integration. Enhancing the leadership commitment and the culture of performance monitoring in data form might thus increase the effectiveness of implementation control and improve the performance results in the hospitals.

The study revealed that implementation control is significant in enhancing the performance of private hospitals. The descriptive results indicated that activities and indicators of performance were, for most of the respondents, examined regularly in their hospitals and that the needed adjustments were made to attain the goals set. This assists in enhancing accountability and utilization of available resources. The correlation and regression analyses also showed a significant positive relationship between implementation control and organizational performance. This implies that hospitals that have good monitoring systems have a greater likelihood of doing better in terms of their performance.

Limitations

Similar to most other research studies, this one had its limitations that were beyond the researcher's control. Several hospitals were initially hesitant to provide information related to their operations and performance indicators due to concerns about confidentiality and competition. To deal with this, the researcher assured the participants of confidentiality and that the information would not be used in any other way except for academic purposes. The researcher sought official approval from the senior management before gathering data. There were also bureaucratic procedures that slowed access via the lengthy authorization processes. There were also uncooperative or non-respondent respondents who neither fulfilled the questionnaire nor responded to the questions, primarily because of the inadequate knowledge of the study's objective. The researcher solved this by articulating the study's goals and appealing to people to participate.

The cross-sectional design does not establish causation. The findings are based on management staff reports from five selected hospitals, and the responses do not independently verify financial or clinical outcomes. Respondents within the same hospital may also share experiences, which should be considered when interpreting the analysis.

6. Conclusions

The study concludes that implementation control positively and significantly affects the organizational performance of private hospitals. The descriptive results indicated that a majority of the respondents reported that performance review, feedback, and monitoring of key indicators were done regularly. This demonstrated a definite focus on accountability, operations, and responsibility. The inferential analysis also showed a significant positive correlation, and the regression coefficient was significant. This suggests a relationship between hospital implementation control practices and their performance: the better the hospital's implementation control practices, the better the hospital's performance. Implementation control is important, therefore, as it will link strategic plans to day-to-day hospital work and will facilitate an ongoing process of improvement.

7. Recommendations

In order to institutionalize effective implementation control, it is recommended that hospital administrators perform constant monitoring of performance as well as analyze KPIs. Heads of departments should ensure that performance data influences decision-making. Monitoring committees involving various departments should be established within hospitals to ensure accountability as well as take timely corrective measures. In addition, training and development should be carried out continuously to improve implementation control practices and overall organizational performances.

The Ministry of Health and other health policy organizations should develop a set of national guidelines for the management of implementation in private hospitals. The guidelines should entail various measures of performance. Policies should also promote the integration of monitoring of implementation performance measures within the accreditation and inspection of hospitals. Furthermore, measures such as awards or grants should be put in place to offer hospitals that adhere to exemplary implementation controls.

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