



Research Article

Change Management Practices and Performance of Public Healthcare Institutions in Kenya: A Case of Kenyatta National Hospital

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Abstract

Performance of Kenyatta National Hospital (KNH) is characterized by a number of twists and turns. There have been efforts to transform KNH and other public institutions in the Kenya's healthcare industry since independence in 1963. Despite adopting the transformations, the hospital is still characterized by a number of challenges which include low patient satisfaction, long turn-around of services, and low revenue growth amongst others. This examined the effect of change management practices on performance of healthcare institutions in Kenya using Kenyatta National Hospital as a case example. The objectives of the study included establishing the effect of strategy on the performance of public healthcare institutions in Kenya, evaluating the influence of leadership style on performance of the same institution and assessing the role of structure and systems on performance. The study adopted four theories and anchored McKinsey 7s elements that influence performance of an organization. The study used descriptive and correlational research designs. The study was carried out at KNH with a total population of 4,613 staff members. The target population was made up of 200 members composed of senior management, middle managers and supervisors via census approach. The sample size for the study was 154. Structured questionnaires were used to collect primary data. A simple random sampling was used to reach the participants. Content validity was used to test for validity with a content validity index of 0.81. Cronbach Alpha coefficient was used in testing reliability. The relationship between the dependent variable and the independent variables was tested using correlation analysis and linear regression analysis. The data was analyzed using both descriptive and inferential statistics on SPSS software in order to achieve the objectives of the study. From the research findings, the study found a significant impact of the independent variables on performance of the hospital based on regression analysis as follows: Strategy ($r = 0.457$, $p < 0.001$), leadership style ($r = 0.399$, $p < 0.001$), structures and systems ($r = 0.399$, $p < 0.001$) and government policies ($r = 0.468$, $p < 0.001$). There was also a significant moderating effect on performance of the hospital by government policies and regulations. Finally, the study established a significant positive correlation between change management practices and organizational performance at the institution with government policies and regulations being the moderating effect. These study findings described management of evolving changes in the socio-political environment and the shortfalls of the previous studies.

Keywords

Change Management, McKinsey 7s Elements, Public Hospitals in Kenya

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1. Introduction

Kenya's health sector has undergone major transformations due to amongst other factors, dynamic patterns of service delivery, devolution rules and guidelines, technological advancements and enhanced innovations, service quality demand, and pressures to advance health care and resultant wages. The industry has undergone various transformations due to new research and various inventions in the organizational management and technical areas [4]. The dynamic and continued evolution of Kenya's health policy context is generally resulting into changes that should properly be adopted. Additionally, the Kenya Demographic and Health Survey carried out by Kenya National Bureau of Statistics (KNBS) in 2022 continued to highlight same challenges faced by the Kenyan health sector, its population, and health facilities at large. Therefore, the change management practices are critical as they determine how the changes are adopted and synchronized into the operations of an institution [5, 9, 14]. One of the main challenges of organizations is the choice of change management strategy to adopt [4, 7].

2. Manuscript Formatting

2.1. Change Management

Application of change management affects performance of an organization by improving employee motivation, enhancing competitive advantage, profitability or revenue growth, low costs and efficiency [11, 12]. Every step for health institution is very crucial in order to survive in the ever changing environment with change management practices. Change management practices made it possible for the businesses to remain in the market by applying and adopting technology changes to improve profitability. Change management practices improve the hospital profitability and staff motivation.

2.1.1. Strategy Development

Effective strategic change management is evident when changes happen and forms an integral functional part of the organizations. In today's evolving business environment, an organization's competitive position highly hangs on the strategic changes it carries out, the various strategic alterations commitment that amendments is a continuous practice in an organization and finally that there should be no status quo for a business that needs sustainability [1, 4, 8, 10].

2.1.2. Leadership Style

An organization's success or failure is closely linked to its leadership style and the founder's beliefs and values in relation to the available opportunities and challenges it faces [2, 5, 6]. Leadership style significantly influences performance, as effective leadership is essential for navigating environmental changes and challenges, motivating employees, and fostering

a sense of ownership in their work. Therefore, it is advised that managers should: strive to be role models for their subordinates, inspire them by adding meaning and challenges to their tasks, encourage innovation and creativity, and attend to each individual's needs for achievement and growth.

2.1.3. Systems and Structure

The use of systems is very crucial in various disciplines by enabling and linking them into desirable results. Therefore, a variety of reasons have kept this systems thinking skill set on the margins of education. The system should therefore clearly outline its goal, incorporate elements of systems thinking, and detail the connections between these aspects [1].

Organizations function in ecosystems full of inter-twined and continuous feedback twists [3, 11, 13]. Therefore, plotting such complex ecosystems assist the organization's leaders into smoothly navigating into strategies that are adaptive. The desirable goal of an organization is the ability to be receptive of the changes in the ecosystems and to adequately be made aware of the changes in the organization.

2.2. Change Process

Unfreeze→Change→Refreeze

Source: Omondi (2024).

3. Results

- 1) The Change management practices were examined using the following three indicators, strategy, style of leadership and structure & systems. The indicators showed a positive correlation in regards to performance of the Kenyatta National Hospital.
- 2) On whether strategy had an impact on performance of the hospital, the analyzed results showed a mean of 4.53 which is a positive significant statistic is implying that strategy implementation enhances performance.
- 3) In regards to structure and systems, all statements had a mean of over 4. The overall mean of 4.25 indicating that there are good Structures and Systems that supports hospital performance. The mean is highly inclined towards the positive side of the scale which agrees with most parameters under study.
- 4) Study results shows that the participants were in agreement with all parameters under leadership style. The results validated and confirmed the role leadership style in the organizational performance with a strong mean of 4.10 proved that the hospital leadership style plays a huge part on the performance of the hospital. This indicates that the hospital leadership style plays a part on the performance of the hospital.

$$Y = 2.728 + 0.570X_1 + 0.238X_2 + 0.082X_3 + \epsilon$$

4. Discussion

In practice therefore, the hospital should at all times keep strengthening and providing clear strategic direction on the change management practices discussed herein. The leadership styles adopted by the management of the hospital should support change management and also be on the fore front in driving the objectives of the hospital. This way, the action will see enhanced performance outcomes. Finally, on the systems and structures, the organization supposed to enhance operational efficiency by ensuring that the systems and structures do not bar clients from accessing services and at the same time achieve quick turnaround times.

In terms of policy, the main stakeholders that drive the performance of the healthcare institutions in the country should develop policies and plans that supports and integrate the change management practices. This way, the different changes will be handled well as well as ensuring improvement in organizational performance.

5. Conclusions

The study comprehensively examined the impact of change management practices on the performance of public healthcare institutions in Kenya, specifically focusing on Kenyatta National Hospital. Through a systematic analysis of key indicators such as strategy, leadership style, and structures & systems, the findings underscored the relationship between change management and healthcare performance. Therefore, the change management practices have a direct influence in the performance of the hospital. Government policies and regulations have a moderating effect on the performance of Kenyatta National Hospital. The policies herein are the health policies and safety measures that are pronounced by the government from time to time.

Abbreviations

GoK	Government of Kenya
HSSP	Health Sector Strategic Plan
KHPF	Kenya Health Policy Framework
KNH	Kenyatta National Hospital

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Author Contributions

Fredrick Omondi: Conceptualization, Resources, Formal analysis, Research, Writing – original draft

Justice Nzioki: Data curation, Methodology, Supervision, Validation

Beatrice Ombaka: Supervision, Validation

Conflicts of Interest

The authors declare no conflicts of interest.

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Biography



Fredrick Omondi is an administrative officer in the Kenyan Government. He completed his master's degree in Business Administration in 2024. He has excelled in his area of duty earning various promotions and a prestigious award by the Kenya President in 2021. He has participated in various national programs in the country by giving his best expertise and commitment.