

EMPLOYEE RELATIONSHIP MANAGEMENT STRATEGY AND THE PERFORMANCE OF MATER MISERICORDIAE HOSPITAL IN NAIROBI CITY, KENYA

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Abstract: Effective employee relations management is essential to achieve organizational performance. This achievement can be attributed to the fact that workers comprise the largest portion of an organization's capacity for productivity. Mater Misericordiae Hospital in Nairobi City, Kenya has recently seen employee turnover as a result of poor communication among staff members, demotivation, and staff members migrating abroad, particularly nurses. This has resulted in low staff numbers and widespread customer dissatisfaction because of unexplained delays and lengthy lines. Accordingly, this study investigated the influence of employee relationship management strategy on the performance of Mater Misericordiae hospital in Nairobi City, Kenya. In specific contexts, the study investigated the effects of; labour management problem solving efforts, employee empowerment relations and work environment relations; on the performance of Mater Misericordiae hospital in Nairobi City, Kenya. The study adopted descriptive survey design. Study population comprised 78 managers which included top and middle-level management staff. Census sampling was used to select respondents. Data was collected by use of semi-structured questionnaires. Descriptive data was analysed by use of Statistical Package for Social Sciences (SPSS) version 29.0. Inferential data was measured through regression and correlation. Qualitative data was analyzed by arranging responses according to the research questions and objectives. The study concludes that labor-management problem-solving efforts, employee empowerment relations, and work environment relations improve organizational performance in terms of customer satisfaction and financial stability. In this regard, the investigation concludes that employee relations are a pivotal determinant of performance in the healthcare facility. This can be due to the fact that employees' relationship in decision-making through union as a collective responsibility positively impacts performance.

Keywords: Employee; Relationship; Management; Strategy; Performance.

1. INTRODUCTION

Effective employee relations management is a key pillar to achieving organizational success. The reason behind this success is because employees in an organization form the most important segment of productive capacity (Nkeobuna,2020). Arimie and Oronsaye (2020) studied the effect of employee relations and organizational performance in Nigerian firms. The study used secondary data from relevant literature, publications, and journals. This study data collection tool was a questionnaire. Findings stipulated that disregarding employee needs, which is the desire to be recognized, respected, and valued in a firm, has a reliable effect on the firm's performance. The study further established that employee relations is positively influenced by communication, decision-making, and a smooth working environment indicator. The study differs from this study in terms of methodological approach since it used secondary data while this study used both primary and secondary data to analyze findings.

Ngozika *et al.* (2021) explored the link between employee relations and the performance of organizations. The target population was organizations in Ogba, Egbena, and Ndoni local governments of Nigeria. The research used secondary data and analyzed it using descriptive statistics and inferential analysis. The study findings showed a significant relationship between employee relations and organizational performance. However, the research study used secondary data, while this study relied on both primary and secondary data.

In another major study, Onifade *et al.* (2021) investigated the influence of employee relations on organizational performance in Nigeria, targeting De-United Foods Industry Limited using a descriptive design approach. To answer research questions, 215 employees were chosen from the top, middle, and low-level management. The sample was selected using simple random sampling. Primary data was gathered using a structured questionnaire and analyzed using descriptive statistics (tables, straightforward percentages, and pie charts) and simple linear regression. From the analysis, it was discovered that employee relations significantly impacts a firm's performance. However, the study focused on the Nigerian food industry, creating a contextual gap in this study.

Ngari and Agusioma (2013) did a study on different ways in which employee relations affect Kenya's private universities' performance. To answer this study problem, a descriptive research design was adopted. Using a questionnaire as the data collection tool, a sample of 80 respondents was used. Data were analyzed using SPSS. Findings from the results obtained stipulated that employee practices, relationships, and communication affected private universities' performance. Also, from the regression findings, correlation coefficients suggested that the relationship management strategy in employees can elaborate 56.2 % of the overall performance. The study was done in universities; hence their findings cannot be generalized in hospitals.

Cherono (2017) study established that the participation of employees in an organization significantly leads to productivity improvement in Unilever Tea Kenya Limited. It purposed to examine the effect of employee relations on organizational performance. The study was based in Kericho County. A descriptive research design was adopted to achieve the study objective. This study targeted 696 employees to obtain primary data using structured and unstructured questionnaires as the data collection tool. Findings from the data collected stipulated that the company productivity, as indicated by a mean of 4.2258, implies that employees' relationship in decision-making through union as a collective responsibility positively impacts performance. However, the sector under study has a gap since it is horticulture rather than a health facility.

Statement of the Problem

Mater Misericordiae Hospital (MMH) strives to provide world-class, innovative, compassionate, and Christ-centered healthcare through a highly skilled, engaged, and innovative team (Omukoko,2023). It is one of Nairobi's biggest private hospitals, with a daily influx of patients and visitors. Additionally, the hospital operates a nursing school that admits a large number of students each year. Under the direction of lecturers or supervisors, these students participate in activities where the involvement of healthcare facility staff is essential to the success of delivering effective healthcare knowledge. However, as Mwenemeru (2018) points out, the hospital has recently seen employee turnover as a result of poor communication among staff members, demotivation, and staff members migrating abroad, particularly nurses. As the article pointed out, this has resulted in low staff numbers and widespread customer dissatisfaction because of unexplained delays and lengthy lines. Therefore, the hospital needs higher levels of client retention and satisfaction (Baker, 2022). As Nkeobuna (2020) found, effective employee relations management is essential to achieve organizational performance. A number of researchers have attempted to determine the influence of employee relationship management on the organizational performance. Nonetheless, these studies have ended up with gaps that prompted the focus of this study. A study by Arimie and Oronsaye (2020) in Nigeria on the same subject area had a gap in terms of scope and methodology. Ngozika *et al.* (2021) study differs from this study on the basis that it relied on secondary data yet this study relied on both primary and secondary data. A major study carried out in Nigeria by Onifade *et al.* (2021) though had a profound finding in relation to the subject under study, it differed from this study on the basis of contextual gaps. Accordingly, this study sought to bridge the identified gaps in the previous studies.

Objectives

Overall Objective

- The overall objective of this study was to investigate the influence of employee relationship management strategy on the performance of Mater Misericordiae hospital in Nairobi City, Kenya.

Specific Objectives

- i. To determine the effect of labour management problem solving efforts on the performance of Mater Misericordiae hospital in Nairobi City, Kenya.
- ii. To evaluate the effect of employee empowerment relations on the performance of Mater Misericordiae hospital in Nairobi City, Kenya.
- iii. To establish the effect of Work environment relations on the performance of Mater Misericordiae hospital in Nairobi City, Kenya.

2. THEORITICAL FRAMEWORK

The study approach was guided by the knowledge-based view theory. The theory was developed in 1996 by Robert Grant. The knowledge-based view is a strategic management concept that gives an organization multiple strategies to compete for more in the market environment. According to Han and Li (2015), the Knowledge-based view theory plays an essential role in establishing learning organizations for employees that are pivotal in the human capital establishment in the structure of activities. This is because resources are characterized by challenges of chain transmission and limitations (Ghonar, 2015).

DeNisi and Jackson (2003) point out that the knowledge-based view reinforces the mandate of collective responsibility in a firm upon which coordination mechanisms can operate successfully. Because individual employee knowledge is increasingly mobile, integrating knowledge in link with the attention given to developing a shared knowledge domain is essential. This is achieved through employees' involvement in formulating operational and firm transformational goals.

Balogun and Jenkins (2003) attest that the KBV concept routinizes systems of multiple specialists in a firm that simultaneously perform individual tasks to enable reliable communication and make plausible decisions without any challenge; hence client satisfaction is attained. Therefore, the sustainability of an organization's knowledge-based advantage lies in knowledge integration across stakeholders and employee relations practices.

Research by Han and Li (2015) found that a firm's strategic knowledge and employee responsibilities add value to system operations and the information process and should be observed when a firm wants a competitive advantage. Firms adopt the creation of knowledgeable strategies to develop strong performance practices (Muriuki *et al.*, 2017). The viable reason for healthcare facility adversities in attaining performance, as McIver and Lepisto (2017) substantiate, is the need for more norms, assumptions, and shared values alongside the practices that individuals in an organization share. Within this scenario, KBV perceives employee actions regarding knowledge sharing and utilization. The theory emphasizes the flow method of distributing knowledge through employee mentoring and collaboration. In this context, research by Onifade *et al.* (2021) shows beyond doubt that an employee's ability to solve issues, make decisions, and spearhead a firm to the uttermost for competitive value heavily depends on strategy exploration acquired through knowledge sharing and exporting within a firm.

Besides, KBV has been criticized, and the research community has issued several challenges. Ghonar (2015) questions whether a firm's most strategic resource is knowledge without considering its application or retention within individuals. The author mentions that change management is a more vital resource than knowledge in the current environment in which firms operate. Han and Li (2015) recognize that the development of closer ties to organizational learning can strengthen KBV more than mutually recognizing that the process of individual learning is impacted mainly by the context of the firm and their self-sense.

However, the theory was relevant to this study as it focused on employee relationships and their contribution to performance. This theory shed more light on how health facilities can create a competitive advantage by integrating and coordinating specialized knowledge that employees develop through conflict relations, employee empowerment, and work relations.

3. METHODOLOGY

The research used a descriptive survey design to obtain data and information on the effect of relationship management strategies on healthcare facilities' performance. The study population was 78 managers comprising top and middle-level management staff. The study used census sampling to select and include all targeted respondents of the population. Data was collected by use of semi-structured questionnaires. Descriptive data was analysed by use of the use of Statistical Package for Social Sciences (SPSS) version 29.0 and presented in terms of mean, standard deviations, percentages, and frequencies. Inferential data was measured through regression and correlation. Qualitative data was analyzed by arranging responses according to the research questions and objectives.

4. STUDY FINDINGS

4.1 Response Rate

The number of questionnaires that were administered to management of Mater Misericordiae Hospital, who comprised top and middle-level management staff were 78. Top management included executive managers, while the middle level provides unit managers and departmental heads.

Figure 4.1 shows the population rate of responses

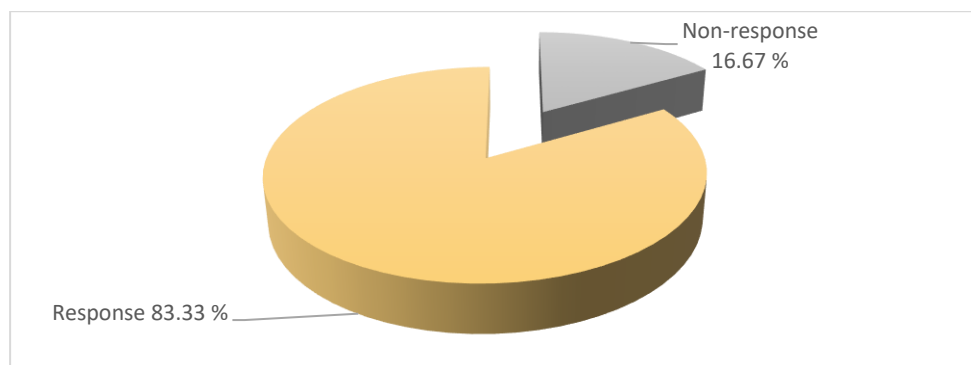


Figure 4.1: Rate of Respondents

Source: Survey Data (202)

As indicated in Figure 4.1, from 78 questionnaires the study researcher administered, 75 were fully filled up and returned. This represents 83.33% response rate. The relatively high rate of responses was brought up by constant follow-up on the outstanding questionnaire, increasing the time to conduct the fieldwork. The results are in tandem with Mugenda and Mugenda (2003) that a research study response rate more than 70% is excellent for study usage. In this regard, 83.33% rate of responses was applicable to draw conclusions and generalize the study findings to the overall population at large.

4.2 Demographic Background

The segment of the chapter briefly describes the participant's demographic constructs. The researcher evaluated each participant's background in Mater Misericordiae Hospital from the perspective of gender, educational level, age, level of management, and working range in the health facility.

4.2.1 Gender of the Participants

The researcher aimed to establish respondents' gender. The results after the findings are revealed in Figure 4.2

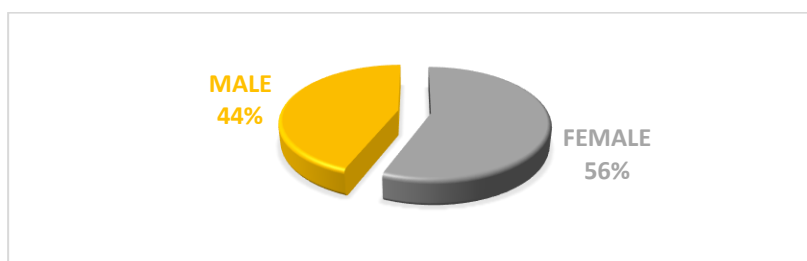


Figure 4.2: Respondents' gender

Source: Survey Data (2023)

Figure 4.2 results reveal that females were the majority of the respondents, as indicated by figure 4.2 (56%), and male respondents were 33 (44%). The flow of participants' gender, presenting the majority of the respondents as female and male, on the other hand, as the minority, does not dispute the fact that there was involvement of both genders in data collection. It indicates that across gender lines, human resource planning is conducted. It further reveals that there was no biasness in conducting the study since all genders were inclusive.

4.2.2 Age of the Respondents

This research study set out to establish age of the participants. The results after the findings are revealed in Table 4.1

Table 4.1 Age Distribution of Respondents

Respondents	Frequency	Percentage
30-39	12	16 %
40-49	50	67 %
50+	13	17 %
Total	75	100 %

Source: Survey Data, (2023)

Table 4.1 above indicates that most respondents were aged between 40-49 years (67 %), followed by the 50+ age group, represented by 17 %; finally, 16 % were recorded for 30-39 years. From the respondents' age distribution, it can be noted that most of the participants are mature; thus, obtaining information from the study respondents can be trusted and effective and can be used to present the organization's facts.

4.2.3 Academic Qualification of the Respondents

The research study's researcher set out to access the academic Qualifications of the participants. The results after the findings are revealed in Table 4.2.

Table 4.2: Academic Qualification of the Respondents

Education Level	Frequency	Percentage
Diploma Level	0	0
Bachelors/Undergraduate	33	44
Postgraduate level	42	56
Other qualifications	0	0
Total	75	100

Source: Survey Data (2023).

Results in Table 4.2 indicate that most respondents were postgraduate holders, representing 56%, followed by bachelor holders (44%), while no respondents were below undergraduate level qualifications. This implies that the study respondents were competent and educated; therefore, information obtained from them can be relied on for this study. It further means that the study information derived from them is vital and represents the research interest since it was collected from informed people.

4.2.4 Management-Related Experience

Participants were asked to indicate related experience from how many years they have worked in management positions. The results from the findings are revealed in Table 4.3

Table 4.3 Management Related Experience

Management-related experience	Frequency	Percentage
Less than five years	12	16
6-10	32	42.7
11-15	17	22.6
Over 16 years	14	18.7
Total	75	100 %

Source: Survey Data (2023)

Table 4.3 shows that most of the respondents were highly experienced in management since 42.7 % of the respondents had experience between 6-10 years, 22.6 % were experienced between 11-15 years, and those whose experience was about 16 years in management positions were represented by 18.7% of the total population. Besides, only 16 percent, expressed by 12 participants, had been in management positions for less than five years. This confirms that most participants base their decisions on experience since employee work experience enables them to have a different perspective with plausible practical work for the effective implementation of strategies.

4.3 Descriptive Analysis Results

The research study aimed to determine whether Mater Misericordiae Hospital applied labour management problem solving efforts, employee empowerment relations and work environment relations to enhance the performance of the health facility. Descriptive statistics, which included Mean (M), and standard deviation (SD) were used to present quantitative data based on specific variables with the use of Statistical Package for Social Sciences (SPSS) version 29.0.

4.3.1 Employee Relations and Organizational Performance

The research first variable was employee relation strategy. The researcher employed a five-point Likert scale that ranges from strongly disagree, itemized by 1 to strongly agree, and indicated by score of five. The results is revealed in Table 4.4.

Table 4.4 Employee Relations and Organizational Performance

Question statements	Mean	SDEV
Mater Misericordiae Hospital management is responsible for deciding what values represent the hospital and promoting them transparently.	4.87	0.380
The hospital has measures to recognize and applaud its staff members when they live up to the set values and goals.	4.29	0.693
Regular meetings with a positive tone discuss issues for all staff members.	4.05	0.726
Events like holiday parties and birthday celebrations, among others, are done in the workplace to strengthen employee bonds.	4.68	0.470
When conflicts and dissatisfaction arise, managers resolve them amicably on time.	4.02	0.724
Overall Score of Mean & SDEV Score	4.43	0.573

Sources: Survey data (2023)

From Table 4.4 data findings, it is affirmed that respondents accorded that employee relation is essential and significant in management strategies for performance of a healthcare facility. This was revealed with projection of an aggregate mean score of 4.43, an indication that a greater number of responses went for scales above four and an overall score of SD of 0.573 on the 5-point Likert Scale projected implied that there was a small variation in responses to indicate that indeed the hospital facility considered employee relations as a significant concept for performance. The findings agree with Onifade *et al.* (2021) study, who investigated ways in which the performance of a firm is influenced by employee relations in Nigeria. The research revealed that employee alliances maintain conflict resolutions in firms and further firm's efficiency through employee empowerment.

The respondents strongly agreed that Mater Misericordiae hospital management promotes fundamental values transparently (M=4.87, SD=0.380) and that the healthcare facility is conducted in the station to strengthen employee bonds (M=4.68, SD=0.470) from the five-point Likert scale that ranged from 1 through 5. These findings confirmed that there were more responses that fell on agreement side and there was small variation in the responses. This is inconsistent with Cheron's (2017) study that assessed the effect of employee relations to organizational performance and established that employees' relationship in decision-making through union as a collective responsibility positively impacts performance.

The study participants agreed on a higher rate that there are measures in the hospital facility in place for employee recognition and moderately stipulated that managers result amicably when conflicts and destructions arise. This was indicated by a projection of mean of 4.29, 4.02 and SD of 0.693 and 0.724, respectively. The findings imply that majority

of the participants responses fell within the scale of 4 and above and confirmation that there was a small variation of responses with more agreement than disagreement. These results are parallel with Arimie and Oronsaye (2020) research, who found that employer relations enables the creation of a positive work environment that significantly satisfies employee emotional values and needs. To a great extent, this influences organizational productivity.

4.3.2 Organizational Performance

The study's dependent variable was organizational performance. The study endeavored to determine organizational performance of Mater Misericordiae Hospital in Nairobi, Kenya, and the findings results are as shown in Table 4.5

Table 4.5: Organizational Performance

Question statement	Mean	SDEV
Service Quality Index	4.78	0.784
Financial stability	4.56	1.075
Customer satisfaction	4.75	0.766
Market share	3.59	0.786
Overall Mean & SDEV Score	4.42	0.853

Source: Survey Data (2023)

From the results table in Table 4.5, average Mean score was 4.42, and an SD of 0.853, implication that participants strongly agreed that Mater Misericordiae Hospital had met its service quality index, financial customer satisfaction and market shares. Respondents also agreed strongly on service quality index (Mean =4.78, SDEV =0.784) preceded by customer satisfaction (Mean =4.75, SD =0.786), financial stability (Mean =4.56, SD =1.075) and Market share (M =3.59, SD=0.786).

The study results support earlier findings of Agango and Achuora (2018) on the Influence of Relationship Management Framework on the performance of health facilities in Nairobi, Kenya, and found that a relationship management solution helps complement a healthcare facility's customer relationship management, increasing patient satisfaction, which is a crucial determinant of performance in organizations.

5. CONCLUSION

The study found that Mater Misericordiae Hospital management has measures to recognize and applaud its staff members when they live up to the set objectives and goals. For instance, when conflicts and dissatisfaction arise, managers resolve them amicably on time, and events like holiday parties and birthday celebrations, among others, are done in the workplace to strengthen employee bonds. The hospital also pursues service quality and customer satisfaction through deciding what values represent the hospital and promoting them transparently. Therefore, study concludes that labor-management problem-solving efforts, employee empowerment relations, and work environment relations improve organizational performance in terms of customer satisfaction and financial stability. In this regard, the investigation further concludes that employee relations are a pivotal determinant of the healthcare facility. This can be due to the fact that employees' relationship in decision-making through union as a collective responsibility positively impacts performance.

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