

Strategic Resource Allocation and Performance of Public Level Four Hospitals in TransNzoia County, Kenya

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Abstract: The purpose of the study was to establish the influence of strategic resource allocation on performance of level 4 hospitals in TransNzoia County, Kenya. The study was guided by the following specific objective; to determine the influence of strategic human resource allocation on performance of level 4 hospitals in TransNzoia County, Kenya. The study was guided by the following theories; Resource allocation theories. The study adopted a descriptive research design to establish the influence of resource allocation and performance of health facilities in TransNzoia County. The target population of the study was 65 senior managers which included public health directors, administrators, and program officers in the County Government of TransNzoia. This study was conducted in TransNzoia County. The study adopted a Census since the target population is small. Data collection instrument was structured questionnaire. Piloting was done for reliability and validity of the instrument. Data reduction and organization was done manually but analysis was done using statistical package for social science (SPSS). The analysis was to determine percentages, averages, dispersion measures in the data collected and prepared. Multiple regression analysis and ANOVA was used to test the significance level of one variable over the other. Based on the findings, the study concluded that strategic human resource allocation has a significant effect on performance of level 4 hospitals in TransNzoia County ($\beta_1=0.767$ p value= 0.004). The relationship was considered significant since the p value 0.004 was less than the significant level of 0.05. The study came up with the following recommendations; the management of level 4 hospital should be involved in engaging the human resources since to compete successfully in this environment organizations continually need to improve their performance by reducing costs, innovating products and processes and improving quality, productivity and speed to market. The organisation should ensure that the right people are in the right roles at the right time, thereby optimizing productivity, fostering innovation, and supporting organizational growth. Firms which attract highly educated and/or highly skilled workers, provide skill-development and cross-training develop difficult to trade and imitate, scarce and appropriable specialized human capital assets.

Keywords: Strategic Human Resource Allocation, Organizational Performance.

1. INTRODUCTION

Organizational performance is generally defined as regular measurement of outcomes and results, which generates reliable data on effectiveness and efficiency of programs, (Kaplan & Norton, 2016). There are five specific types of measures that have been identified and usually applied. Input: resources used to conduct activities and provide services.

Activity: individual tasks funded by projects or programs. Output: products and services. Outcome: represents a specific result a program intended to achieve. Organisational Performance can be measured through graphic rating scales; 360degree feedback; self- evaluation; management by objectives (MBO) or checklists (Denton, 2017).

Organisational Performance measures can be grouped into two basic types: those that relate to results (outputs or outcomes such as competitiveness or financial performance) and those that focus on determinants of the results (inputs such as quality, flexibility, resource utilization, and innovation). This suggests that performance framework can be built around the concepts of results and determinants (Gunasekaran, 2019). Measurement central to quality improvements defines what is done by hospitals and compare that with original plans to identify areas of improvement. Healthcare performance measurements are aggregated, quantified and analyzed data on a particular healthcare-related activity. Their purpose is to identify opportunities for reducing costs, improving quality of care and increasing efficiency of care delivery (Parkin, 2017). Three performance indicators used to measure organizational performance in this study, were; number of referrals, bed occupancy and quality of services.

According to Singoro, (2021), resource allocation is the process by which firms redirect their resources across their businesses to create value. Resource allocation is concerned with how businesses allocate their resources to the various projects or tasks in which they intend to partake. Resource allocation is required because organizations operate under a finite quantity of resources to complete various projects. The planning, management, and allocation of resources in the various projects in an organization are critical for its success (Naikumi Daniel & Patrick, 2023). Resource allocation also entails integrating capacities to deal with the time constraints and the resource constraints in the resources. The time constraint in resource allocation is concerned with the limited time in which firms have to implement their strategies. The resource constraints emphasize the limited capacity of resources within an organization which in turn affects its performance in the market. Good performance and operational efficiency are critical in enabling an organization to create a sustainable business model that meets and exceeds the customer's expectations. The major priority in a firm is to create long-term value through the allocation of resources to its various activities. Different researchers have pointed out that resource allocation is one of the catalysts of organizational performance (Ng'etich, 2020). For instance, Anwar and Abdullah (2021) explain the need for managers to align resource allocations to business strategies. There is a relationship between business strategy and the organization's financial performance. An organization's resource acquisition, employment strategies, and strategy implementation depend on its resources. Importantly, resource allocation is a major component of the dynamic capability of a firm enabling it to utilize its resources to create value for its customers.

Resource allocation in parastatals is critical in ensuring that these firms can utilize the limited resources from the government to provide services to the public (Ng'etich, 2020). The public entities face great pressure from the various stakeholders to ensure they create and offer value to the citizens. As such, the managers in parastatals need to ensure that these entities use resources effectively to measure performance. Importantly, the limited resources must be put to the right use to improve performance. As such, it is critical to have the right budget priorities that will help the parastatals achieve their goals of serving the citizens (Isaac, Murat & Ahmed, 2019). The issue of resource allocation in parastatals has gained popularity worldwide whereby managers in public entities have to justify their actions. In the age of public scrutiny, resource allocation in the public sector cannot be understated. For instance, resource allocation in the UK's public entities is a multi-faceted process that seeks to ensure that resources are used effectively to meet the needs of the citizens (Rodriguez-Clare & Dingel, 2021). In the USA, public entities are funded by the federal and state governments. These entities are expected to meet certain standards in reporting and allocating their resources among competing projects (Okafor, Adeleye & Adusei, 2021). In Canada, there is a very high emphasis on transparency in the allocation of resources in the public sector (Friebel & Raith, 2020). These organizations have to ensure that they follow certain criteria in identifying the most pressing needs.

In Africa, resource allocation in the public sector is still a major problem owing to the budget constraints faced by these nations. The resource allocation in the continent is different in the public entities depending on the country's level of development and government priorities (Okoye & Ezejiofor, 2019). Resource allocation in public organizations in Africa faces almost similar challenges. For instance, the resource allocation in Nigerian public entities struggles from limited budget allocation. For instance, the Nigeria Railway Corporation has experienced poor funding leading to huge operational losses (Isaac, Murat & Ahmed, 2019). In Uganda, poor funding of the Jinja Port has derailed marine transport in the country leading to frustrations among citizens (Asiimwe, 2020).

In Kenya, several public entities such as Kenya Power Lightening Company and Kenya Airways have experienced huge losses over the years. These entities suffer from corruption, capacity constraints, and political interference. The Kenya Revenue Authority (level 4 hospitals) was established in 1995 to collect revenues for the government (Lekasi, 2018). At first, the level 4 hospitals exceeded its revenue collection in the first three years till the 1998/1999 financial year when it failed to achieve its revenue collection goals. The trend of declining revenue collection continued for several years until the 2003/04 financial year when it was able to surpass its revenue collection targets (Muturi, 2024). The entity has failed to achieve its revenue collection in the last five years leading to huge public and international debts. Despite the challenges of meeting the revenue targets, the level 4 hospitals has witnessed some upward trajectory in the revenue collections. For example, in the 2018/2019 fiscal year, the organization recorded a revenue growth of 4.5%, followed by a 5.2% increase in 2019/2020. This positive trend continued with a 5.8% growth rate in 2020/2021 and a notable 6.3% rise in revenue collection in 2021/2022. Building on this momentum, the level 4 hospitals experienced a significant upturn in the 2022/2023 fiscal year, achieving a remarkable 6.7% growth in revenue collections (Okongo & Kiruja, 2023). The revenue collection has increased progressively in the last 5 years representing a 37% increase (Ksh. 580 billion) during the period. The revenue collection has been affected but the slow economic growth and multiple shocks in the economy.

The sustained increase in revenue collection has been widely attributed to the use of new technologies and increases in taxes. For instance, the level 4 hospitals has integrated the e-Citizen, Integrated Financial Management Information System (IFMIS) and payroll taxes to increase revenue allocation (Chepkonga & Mbirithi, 2023). The organization is also seeking to implement both tax administrative measures and tax policy reforms to help it achieve its revenue collection goals. Despite these notable strides and the level 4 hospitals' commitment to increase revenue collection, the entity still faces many challenges (Lekasi, 2018). Chief among them is the inadequate resource allocation from the government which in turn hinders its ability to implement reforms. Resource allocation has affected the level 4 hospitals' ability to implement its strategies of using new technologies in its revenue collection. There is still room for more improvement to ensure that the organization meets its revenue collection targets for the government's financial needs.

Owing to the strategic importance of level 4 hospitals in the country's economic growth and development, the organization's revenue allocation strategies must be studied. Resource allocation will help level 4 hospitals identify its priority projects by utilizing the limited resources it gets from the government (Muturi, 2024). Optimal resource allocation will help level 4 hospitals to implement its strategies and achieve its revenue collection targets. Good organizational structure and management models in the organization are critical in enabling organizations to allocate their resources effectively. On the other hand, lack of proper resource allocation will affect Level 4 hospitals' ability to meet its revenue goal thus affecting Kenya's economic growth and development. The organization can improve its performance by investing in the right resource allocation models that align with its strategic implementation plans.

While the role of resource allocation in an organization's performance is well-documented (Oduol, 2023; Okoye & Ezejiolor, 2019), few studies have sought to examine the role of resource allocation on the performance of public entities. Most studies have focused on the role of resource allocation in the strategic implementation and performances of private firms. For instance, Kiringa and Ndolo (2023) examine the role of resource allocation in strategic implementation in flour milling companies in Nairobi County. There is a research gap on the role of resource allocation in the performance of public entities in the Kenyan context. It is against this backdrop that this study sought to explore the influence of resource allocation on the performance of the Kenya Revenue Authority. The conclusions from this study offer recommendations on the various practices on resource allocation that can be implemented to enable the level 4 hospitals to achieve its strategic goals of revenue collection.

Organizational performance encompasses three specific areas of firm outcomes; financial performance (profits, return on assets, return on investment, etc.), market performance (sales, market share, etc.) and shareholder return (total shareholder return, economic value added, etc.) (Divenney, 2015). Organisational Performance is the ultimate dependent variable of interest. Resource allocation, also known as resource scheduling recognizes and assigns resources for a specific period to various activities (Mario, 2016). These activities can be either project or non-project work such as administration, support, operation and others. Resources can be either fully or partially available. Therefore, resource managers must take resource availability into account while allocating them to the projects. Resource allocation is essential in organizations as it allows managers to plan and prepare for project implementation or achieving goals (Ilesanmi, 2017). As asserted by Tappin (2017), resource allocation practices help firms prepare proactively and address issues with a more long term view. They

enable a company to initiate influence instead of just responding to situations. Some of the benefits of resource allocation practice include empowering teams, prevent burnout and ensure engagement performance. In this case resource allocation is not only an essential resource management process, it is also a critical lever for growth and success (Tappin, 2017).

Gutterman, (2017), notes that the relationship between resource allocation and performance of firms may be mitigated to some extent by a contextual factor relating to the firm, including among other things, societal culture. They believe that organizational processes relating to planning and decision-making have an impact on societal culture. In USA there are similarities in resource allocation practice in firms which have been found in developed economies. It is also noted that resource allocation probably is able to gain traction in various states because there are relatively few barriers to the dissemination of knowledge elements of resource allocation practice, (Lambert& Ouedraogo, 2018). From South African perspective Imosili (2018), asserts that using the right resource allocation process, a firm can drive better resource utilization, employee satisfaction, and retention - The simultaneously. Imosili (2018) states that the ability to allocate the right combination of resources across multiple, complex engagements requires in-depth and up-to-date knowledge of the skills, capacity, and availability of your resources.

In Nigeria, Owolabi and Makinde (2019) opines that the ability of a firm to respond appropriately to the variable that affect operations in an organization is dependent on the effectiveness of its resource allocation practices. Fubara (2018) asserts that, informal strategic planning practices in Nigeria outperforms the formal strategic planning practices. Firms that adopt a culture that stresses lower levels of employee participation in formulating strategies and executing them separates thinkers from actors. In Kenya, it is not uncommon for unexpected changes to occur or for an engagement to suddenly require additional resources (Mohajan, 2017). This shows that resource allocation practices should be embraced to help business managers to know what they have, where they are going, and how to manage uncertainties in the business environment.

Desai (2017) opines that one of the biggest opportunities for optimizing resource allocation is to assess your resources across the widest pool of what is available. In Kenya, according to Wilson(2017), study has revealed that resource allocation should be encouraged to enable businesses to identify causes and solutions to problems, to understand the operating environment, to define the purpose of the business and environment and to clarify ambitions, values and resources of business. According to Kenya Health Sector Strategic Plan, KHSSP, (2018-2023), there has been a decline in health facility performance as shown by health facility trend of death statistics between the years, 2016 to 2020. In the year 2016: communicable/infectious diseases-58.6%, non-communicable diseases - 37.1%, injuries and other causes-4.3%. In the year 2017: communicable/infectious diseases – 60.7%, non-communicable diseases – 35.4%, injuries and other– 4.0%. In the year 2018: communicable/infectious diseases - 53.2%, non-communicable diseases –41.0%, injuries and other – 5.9%. In the year 2019: communicable/infectious diseases – 51.4%, non-communicable diseases – 42.0%, injuries and other6.6%. In the year 2020: communicable/infectious diseases – 50.1%, non-infectious diseases 42.8%, injuries and other 7.1%. According to KHSSP (2018– 2023), majority of deaths are caused by communicable/infectious diseases, however the trend is declining, while non-communicable and injuries is gradually increasing. The trend shows dismal performance improvement in the public health sector. The above statistics explains the death rate in level 4 hospitals which shows dismal performance at an increasing rate. The study sought to determine the influence of strategic human resource allocation on performance of level 4 hospitals in Trans Nzoia County, Kenya.

2. STRATEGIC HUMAN RESOURCES ALLOCATION

Economic environment is changing rapidly and this change is characterised by such phenomena as the globalization, changing customer and investor demands, ever-increasing product-market competition. To compete successfully in this environment, organization continually need to improve their performance by reducing costs, innovating products and processes and improving quality, productivity and speed to market

Strategic human resource allocation involves the deliberate and planned distribution of an organization's human resources to align with its long-term objectives and maximize overall effectiveness. This process ensures that the right people are in the right roles at the right time, thereby optimizing productivity, fostering innovation, and supporting organizational growth (Bukar, et al.,2024). By strategically allocating human resources, organizations can ensure that they have the talent and capabilities needed to achieve their goals, respond to changes in the market, and maintain a competitive edge (Bukar, et al., 2024). People not only acquire knowledge and skills by education but also by experience. A major concern about considering people as a resource is that people should not be treated like another resource or as a simple factor of

production that can be easily interchanged, but with respect and dignity (Pandit, 2020). Human resources is the division of a business that is charged with finding, screening, recruiting, and training job applicants, as well as administering employee-benefit programs. Human resources plays a key role in helping organizations deal with a fast-changing business environment and a greater demand for quality employees in the 21st century.

Many organizations face a volatile market situation. In order to create and sustain competitive advantage in this type of environment, organizations must continually improve their business performance (Mattalatta, et al., 2023). Increasingly, organizations are recognising the potential of their human resources as a source of sustained competitive advantage. Linked to this, more and more organisations are relying on measurement approaches, such as workforce scorecards, in order to gain insight into how the human resources in their organisation add value (Mattalatta, et al., 2023). Today the presence of human resource department and human resource managers is essential for any organization, regardless of its size (Nordin, 2019). An HR department is nowadays necessary to enable the proper functioning of any company.

Additionally, it is the only department that manages and ensures the well-being of the people that make the organization. Furthermore, they are also integral in times of emergency (Phiri, 2022). It is their job to manage the employee's shifts and make sure employees feel supported and are working well from home (Nordin & Ahnuar, 2018). Skills refer to the abilities and capacities a person possesses and enable them to perform a specific job, Mango (2017). On this basis, every professional is unique as is his or her contribution to the team and to the department, Lehner (2017). Organizational performance is generally defined as regular measurement of outcomes and results, which generates reliable data on effectiveness and efficiency of programs, (Kaplan, & Norton, 2018). There are five specific types of measures that have been identified and usually applied: input; resources used to conduct activities and provide services; activity, individual tasks funded by projects or programs; output, products and services; outcome; represents a specific result a program intended to achieve. Performance can be measured through graphic rating scales; 360-degree feedback; self-evaluation; management by objectives (MBO) or checklists, (Denton, 2017).

Performance measures can be grouped into two basic types: those that relate to results (outputs or outcomes such as competitiveness or financial performance) and those that focus on determinants of the results (inputs such as quality, flexibility, resource utilization, and innovation). This suggests that performance framework can be built around the concepts of results and determinants, (Gunasekaran, 2019). Organizational performance in hospitals is mainly examined through its capacity to deliver high-quality clinical care at minimum cost (Chawla & Govindaraj, 2017). The indicators of hospital performance include bed turnover rate, the average patients admitted in a bed per year and efficiency (HIQA, 2013).

Fwaya (2006) views performance as a formula for the assessment of the functioning of an organization under certain parameters such as productivity, employee's morale and effectiveness. Nzuve and Nyaega (2012) opined that Performance management and improvement is at the heart of strategic management because a lot of strategic thinking is geared towards defining and measuring performance. Awino (2011) asserts that for an organization to be successful it has to record high returns and identify performance drivers from the top to the bottom of the organization. Odhiambo (2009) identified three approaches to performance in an organization which are the goal approach, which states that an organization pursues definite identifiable goals. This approach describes performance in terms of the attainment of these goals. The second approach is the systems resource approach which defines performance as a relationship between an organization and its environment. This concept defines performance according to an organization's ability to secure the limited and valued resources in the environment. The third approach is the process perspective which defines performance in terms of the behaviour of the human resource of an organization (Waiganjo et al., 2012). Kiragu (2005) highlights performance in terms of four perspectives which are the financial, customer, internal processes and innovativeness. The financial perspective identifies the key financial drivers of enhancing performance which are profit margin, asset turnover, leverage, cash flow, and working capital (Odhuno and Wadongo, 2010).

The success or otherwise of any discerning organization in this world of deregulated economies and competitive market depend largely on its ability to strategically outwit her competitors. Outwitting competitors is informed by ability to deliver offering better than competitors in the market and this also depend on the ability to continually improve on the quality of goods and services being offered.

3. METHODOLOGY

This study adopted a descriptive research design to establish the influence of resource allocation and performance of level 4 hospitals in Trans Nzoia County, Kenya. The target population of the study was 65 senior managers which included public health directors, administrators, and program officers in the County Government of Trans Nzoia, Kenya. This study was conducted at Trans Nzoia County, Kenya. Since the study population is small, the study worked with entire population which is census. Data collection instrument was structured questionnaire and other information relevant to the study. A structured questionnaire was administered to the respondents. The questionnaire had five sections consisting of questions on demographic characteristics, strategic human resource, strategic financial allocation, and strategic technological allocation on performance of health facility in Trans Nzoia County, Kenya. The Primary data collection instruments were mainly research questionnaires. The Secondary data collection instruments were bank journals, newsletters, and others. Piloting was done to test the validity and reliability of the data collection instruments. Once data is collected, it was crosschecked and verified for errors, completeness and consistency. It was then be coded, entered and analysed descriptively using IBM Statistical Package for Social Sciences (SSPS 23). Pearson correlation analysis was used to test the relationship between variables in the study hypotheses. ANOVA and multiple linear regression analysis were adopted and computed to determine the statistical relationship between the independent variable and the dependent.

4. DISCUSSIONS

4.1 Effects of Strategic Human Resource Allocation on Performance of Level 4 Hospitals in TransNzoia County

The specific objective of the study was to determine the influence of strategic human resource allocation on performance of level 4 hospitals in TransNzoia County. The respondents were requested to indicate their level of agreement on statements relating to the influence of strategic human resource allocation on performance of level 4 hospitals in TransNzoia County. A 5 point Likert scale was used where 1 symbolized strongly disagree, 2 symbolized disagree, 3 symbolized neutral, 4 symbolized agree and 5 symbolized strongly agree. The results were as presented in Table 4.1.

From the results, the respondents agreed that to compete successfully in this environment organizations continually need to improve their performance by reducing costs, innovating products and processes and improving quality, productivity and speed to market. This is supported by a mean of 3.942 (std. dv = 0.938). In addition, as shown by a mean of 4.722 (std. dv = 0.936), the respondents agreed that This process ensures that the right people are in the right roles at the right time, thereby optimizing productivity, fostering innovation, and supporting organizational growth. Further, the respondents agreed that by strategically allocating human resources, organizations can ensure that they have the talent and capabilities needed to achieve their goals, respond to changes in the market, and maintain a competitive edge. This is shown by a mean of 4.835 (std. dv = 0.944).

The respondents also agreed that increasingly, organizations are recognizing the potential of their human resources as a source of sustained competitive advantage. This is shown by a mean of 3.986 (std. dv = 0.935). The respondents also agreed that Strategic human resource allocation involves the deliberate and planned distribution of an organization's human resources to align with its long-term objectives and maximize overall effectiveness. This is shown by a mean of 3.646 (std. dv = 0.921). Lastly, the respondents agreed that a major concern about considering people as a resource is that people should not be treated like another resource or as a simple factor of production that can be easily interchanged, but with respect and dignity. This is shown by a mean of 4.115 (std. dv = 0.893).

Table 4.1: Effects of Strategic Human Resource Allocation on Performance of Level 4 Hospitals in TransNzoia County

Statements on Strategic Human Resource Allocation	Mean	Std. Deviation
To compete successfully in this environment organizations continually need to improve their performance by reducing costs, innovating products and processes and improving quality, productivity and speed to market	3.942	0.938
This process ensures that the right people are in the right roles at the right time, thereby optimizing productivity, fostering innovation, and supporting organizational growth	4.722	0.936

By strategically allocating human resources, organizations can ensure that they have the talent and capabilities needed to achieve their goals, respond to changes in the market, and maintain a competitive edge	4.835	0.944
Increasingly, organizations are recognizing the potential of their human resources as a source of sustained competitive advantage	3.986	0.935
Strategic human resource allocation involves the deliberate and planned distribution of an organization's human resources to align with its long-term objectives and maximize overall effectiveness	3.646	0.921
A major concern about considering people as a resource is that people should not be treated like another resource or as a simple factor of production that can be easily interchanged, but with respect and dignity	4.115	0.893
Aggregate	3.818	0.894

4.2. Effect of Performance of Level 4 Hospitals in TransNzoia County

The respondents were requested to indicate their level of agreement on various statements relating to the effect of Performance of Level 4 Hospitals in TransNzoia County. A 5 point Likert scale was used where 1 symbolized strongly disagree, 2 symbolized disagree, 3 symbolized neutral, 4 symbolized agree and 5 symbolized strongly agree. The results were as presented in Table 4.2.

From the results, the respondents agreed that there is high productivity with proper strategic resource allocation. This is supported by a mean of 4.084 (std. dv = 0.997). In addition, as shown by a mean of 3.917 (std. dv = 0.831), the respondents agreed that productivity, employee' morale and effectiveness is crucial in strategic resource allocation. Further, the respondents agreed that performance management and improvement is at the heart of strategic management because a lot of strategic thinking is geared towards defining and measuring performance. This is shown by a mean of 3.858 (std. dv = 0.563). The respondents also agreed that for an organization to be successful it has to record high returns and identify performance drivers from the top to the bottom of the organization. This is shown by a mean of 3.831 (std. dv = 0.851). Lastly, the results shows that proper resource allocation enhances organizational performance. This was supported by a mean of 3.411 (std. dv = 0.644).

Table 4.2: Performance of Level 4 Hospitals in TransNzoia County

	Mean	Std. Deviation
There is high productivity with proper strategic resource allocation	4.084	0.997
productivity, employee' morale and effectiveness is crucial in strategic management capability	3.917	0.831
Performance management and improvement is at the heart of strategic management because a lot of strategic thinking is geared towards defining and measuring performance	3.858	0.563
For an organization to be successful it has to record high returns and identify performance drivers from the top to the bottom of the organization	3.831	0.851
Proper resource allocation enhances organizational performance	3.411	0.644
Aggregate	3.628	0.827

4.3 Inferential Statistics

Inferential statistics in the current study focused on correlation and regression analysis. Correlation analysis was used to determine the strength of the relationship while regression analysis was used to determine the relationship between dependent variable (performance of level 4 hospitals in TransNzoia County) and independent variables (strategic human resource allocation).

4.3.1 Correlation Analysis

The present study used Pearson correlation analysis to determine the strength of association between independent variables (strategic human resource allocation) and the dependent variable (performance of level 4 hospitals in

TransNzoia County). Pearson correlation coefficient range between zero and one, where by the strength of association increase with increase in the value of the correlation coefficients. The current study employed Taylor (2018) correlation coefficient ratings where by 0.80 to 1.00 depicts a very strong relationship, 0.60 to 0.79 depicts strong, 0.40 to 0.59 depicts moderate, 0.20 to 0.39 depicts weak.

Table 4.3: Correlation Coefficients

		Performance of level 4 hospitals	Strategic human resource allocation
Performance of level 4 hospitals	Pearson Correlation	1	
	Sig. (2-tailed)		
	N	53	
Strategic human resource allocation	Pearson Correlation	.824**	1
	Sig. (2-tailed)	.002	
	N	53	53

From the results, there was a very strong relationship between strategic human resource allocation and performance of level 4 hospitals in TransNzoia County ($r = .824$, $p \text{ value} = 0.002$). The relationship was significant since the p value 0.002 was less than 0.05 (significant level).

4.3.2 Regression Analysis

Multivariate regression analysis was used to assess the relationship between independent variables (strategic human resource allocation) and the dependent variable (performance of level 4 hospitals in TransNzoia County).

Table 4.4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.923	.746	.740	.243218

a. Predictors: (Constant), strategic human resource allocation,

The model summary was used to explain the variation in the dependent variable that could be explained by the independent variables. The r -squared for the relationship between the independent variables and the dependent variable was 0.746. This implied that 74.6% of the variation in the dependent variable (performance of level 4 hospitals in TransNzoia County) could be explained by independent variables (strategic human resource allocation).

Table 4.5: Analysis of Variance(ANOVA)

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	27.623	1	3.025	76.39	.000 ^b
1 Residual	7.902	52	.034		
Total	35.525	53			

a. Dependent Variable: performance of level 4 hospitals in TransNzoia County

b. Predictors: (Constant), strategic human resource allocation,

The ANOVA was used to determine whether the model was a good fit for the data. F calculated was 42.39. The p value was 0.000. Therefore, the model can be used to predict the influence of strategic human resource allocation on performance of level 4 hospitals in TransNzoia County.

Table 4.6: Regression Coefficients

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	0.574	0.030		5.675	0.000
	Strategic human resource allocation	0.767	0.068	0.393	3.861	0.002

a. Dependent Variable: Performance of level 4 hospitals in TransNzoia County

The regression model was as follows:

$$Y = 0.574 + 0.767X_1 + \varepsilon$$

According to the results, strategic human resource allocation has a significant effect on performance of level 4 hospitals in TransNzoia County ($\beta_1=0.767$ p value= 0.004). The relationship was considered significant since the p value 0.004 was less than the significant level of 0.05.

5. CONCLUSIONS AND RECOMMENDATIONS

The specific objective of the study was to determine the influence of strategic human resource allocation on performance of level 4 hospitals in TransNzoia County. The findings revealed that to compete successfully in this environment organizations continually need to improve their performance by reducing costs, innovating products and processes and improving quality, productivity and speed to market and that process ensures that the right people are in the right roles at the right time, thereby optimizing productivity, fostering innovation, and supporting organizational growth. The findings revealed that increasingly, organizations are recognizing the potential of their human resources as a source of sustained competitive advantage and that strategic human resource allocation involves the deliberate and planned distribution of an organization's human resources to align with its long-term objectives and maximize overall effectiveness. Lastly, the findings indicated that a major concern about considering people as a resource is that people should not be treated like another resource or as a simple factor of production that can be easily interchanged, but with respect and dignity.

Based on the findings, the study concluded that strategic human resource allocation has a significant effect on performance of level 4 hospitals in TransNzoia County ($\beta_1=0.767$ p value= 0.004). The relationship was considered significant since the p value 0.004 was less than the significant level of 0.05. The study came up with the following recommendations; the management of level 4 hospital should be involved in engaging the human resources since to compete successfully in this environment organizations continually need to improve their performance by reducing costs, innovating products and processes and improving quality, productivity and speed to market. The organisation should ensure that the right people are in the right roles at the right time, thereby optimizing productivity, fostering innovation, and supporting organizational growth. Firms which attract highly educated and/or highly skilled workers, provide skill-development and cross-training develop difficult to trade and imitate, scarce and appropriable specialized human capital assets.

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