INFLUENCE OF FINANCIAL CONTROL ON STRATEGIC PLAN IMPLEMENTATION AT THE NAROK COUNTY REFERRAL HOSPITAL, KENYA.

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DEDICATION

I dedicate this work to God, my parents Michael and Plister Okombo, my wife Edith, my

daughter Mirrabell, and all those who look up to me as their role model.

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ABSTRACT

Narok County referral hospital faces huge technical staff deficit, occasional industrial action, regular stock out of essential commodities, poor staff remuneration, lack of adequate essential health equipment and heavy workload on technical staff. These problems could be as a result of inadequate financial control at the Narok County Referral Hospital (NCRH). Three theories - public budgeting, balance score card and Functionalist were employed to explain the relationship between financial control and strategic plan implementation at the NCRH in Kenya. In this context, the study sought to determine influence of budgeting, book keeping and disbursement of allocated funds on strategic plan implementation at the NCRH. To achieve these objectives, the study hypothesized that there is no relationship between budgeting, book keeping and disbursement of allocated funds at the NCRH. The study adopted descriptive research design. The target population of the study were employees of NCRH. Sample frame of the study was the Human Resource database of the hospital, the study adopted census as the sampling technique. Primary data was collected using three-point Likert scale questionnaire administered to 30 heads of departments seeking their perception on various parameters. Kaiser-Meyer-Olkin (KMO) and Bartlett's test of sphericity were used to test whether data collected was adequate for factor analysis. factor analysis was done through total variance explained, the scree plot and rotated component matrix. The relationship between variable was determined using correlation analysis and hypothesis tested at 95% confidence level. On the first objective of the study, the result indicated that there is a direct moderate positive relationship between formal budgeting and availability resources and availability of professionalism at the NCRH. *(r=.513**, P=.004), (r=.556**, p=.001)* Similarly, budgetary participation showed a direct moderate positive relationship with availability of medical resources *(r=.436*, P=.016), r=.337, p=.069)*. The null hypothesis was therefore rejected and alternative hypothesis accepted. On the second objective, the findings indicated that there is a direct moderate positive relationship between book keeping analysis and availability of medical resources but a direct weak positive relationship with availability of professionalism at the NCRH. *(r=.459*, P=.011), (r=.396*, p=.030)* The null hypothesis was rejected and alternative hypothesis was accepted. On the third objective, the findings indicated that there was a direct weak positive relationship between timely disbursement of funds and availability of professionalism at the NCRH. *(r=.380*, p=.038)* Similarly, availability of funds showed a direct moderate positive relationship with availability of professionalism at the NCRH. *(r=461*, p=.010).* The null hypothesis was therefore rejected and alternative hypothesis accepted. Based on these findings, the study concludes that improvement in formal budgeting has a direct positive relationship with availability of resources and professionalism at the hospital similarly to budgetary participation. The study also concludes that improvement in book keeping analysis has positive weak relationship to availability of medical resources and professionalism at the hospital. Finally, the study also concludes that improvement on timely disbursement of funds has a weak positive relationship with availability of professionalism while improvement on availability of funds has a moderate positive relationship with availability of professionalism. The study therefore recommends that for successful strategic plan implementation at the NCRH, there is need to enhance active participation of all the hospital stakeholders in budgeting process and to put in place effective budgetary control mechanisms. Secondly, there is need to have effective book keeping in order to track, monitor and control all their finances and finally there should be disbursement of funds in the right tranches on timely basis.

TABLE OF CONTENTS

ABBREVIATIONS AND ACRONYMS

The following abbreviations and acronyms have been used in this proposal

AAH	Action Against Hunger.
AIDS	Acquired Immune Deficiency Syndrome.
BSC	Balanced Score Card.
C F I	Corporate Finance Institute.
COVID-19	Corona Virus Disease of 2019.
CSF	Community Support Fund.
GDP	Gross Domestic Product.
GOK	Government of Kenya.
HDI	Human Development Index.
HIV	Human Immunodeficiency Virus
HND	Higher National Diploma
KHPF	Kenya Health Policy Framework.
KHSSPI	Kenya Health Sector Strategic and Investment Plan.
KMO	Kaiser-Meyer-Olkin (formula).
MRC	Ministerial Reform Committee.
NCIDP	Narok County Integrated Development Plan.

NCRH   Narok county referral hospital.

NGOs   Non-Governmental Organizations.

NHSSP   National Health Sector Strategic Plan.

PPEs,   Personal Protective Equipment.

SHS   Senior High School.

SMEs   Small Medium Enterprises.

SPSS   Statistical Package for the Social Sciences.

TB   Tuberculosis

WHO   World Health Organization.

OPERATIONAL DEFINITION OF TERMS

Strategic plan implementation: A way an institutional strategies, objectives, and policies are put into action through coming up with programmes, budgets, and procedures. According to this study, strategy implementation means achievement of activities and projects planned.

Financial control: Refers to procedures, policies, and means by which an organization monitors and controls the direction, allocation, and usage of its financial resources. According to this study financial control constitutes of systems and processes used to ensure that the money is correctly handled**.**

Budgeting: This is a systematic and formalized approach for performing significant phases of the management planning and control functions. According to this study budgeting is financial planning that shows the source and use of funds as well as a tool of financial control.

Bookkeeping: The process of recording financial transactions and keeping financial records. In this study bookkeeping is recording and maintaining financial information and a tool of financial control.

Disbursement of Allocated funds: The release of funds from one entity, in this case the donor, to an appointed beneficiary of the borrower, for onward implementation of the project activities. In this study disbursement of allocated find will mean release of funds to the Heads of Departments for use and a tool of financial control.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Strategic plan implementation is a concept that describes a process of allocation of resources to support the chosen strategies, which involves management strategies that are required to support strategy implementation to be on a motion, by providing controls that monitor the progress and finally achieve organizational goals (Barnat, 2014).

According to Kwach (2019) the implementation of the strategic plan is the way in which the goals, strategies and policies of the organization are put into practice through the development of programmes, budgets and procedures. The organization will inevitably fail in achieving its goals unless appropriate and effective strategies are formulated and implemented. Kwach (2019) further posits that when an organization implements a strategic plan, it inevitably faces problems and risks, such as wasting limited resources, or threatening self-esteem when one fails. Therefore, planning prepares an organization to overcome unexpected difficulties and work in the most effective way to achieve the set goals.

Corporate Finance Institute (2020) defines financial control as the procedures, policies, and means by which an organization monitors and controls the direction, allocation, and usage of its financial resources. Financial controls are at the very core of resource management and operational efficiency in any organization. According to Gathuru (2017) financial control is the phase in which financial plans are implemented; Control addresses

the feedback and adjustment process required to ensure compliance with plans and the modification of plans due to unforeseen changes.

Many organizations develop excellent strategies but still fail to achieve competitive advantage and sustainability. This is mainly attributed to the fact that even with well-formulated strategies, an organization will not achieve its goals unless those strategies are executed well (Maas, 2017). For this reason, this study focuses on the implementation of strategic plan so that it benefits the organization, especially the healthcare sector.

According to Roncarolo et al. (2017) the health sector faces six major challenges worldwide which include: environmental factors, pandemics, economic disparities and access to healthcare, noncommunicable diseases and animal health, food supplies and supplies, political factors. Globally, countries are faced with health system problems which vary from one to the next. While health service delivery challenges are more often seen in countries with a very high Human Development Index (HDI), financial resource challenges attract more attention within those with low HDI.

Petersen et al. (2017) stressed that Health Care in Africa have over the years suffered from man-made issues, which cuts across institutional, human resources, financial, technical and political developments. The WHO in the year 2007 proposed a framework that describes healthcare systems in terms of six components referred to as building blocks namely; Service Delivery, Healthcare Work force, Health Care Information System, Medicines and Technologies, Financing and Leadership/Governance. The majority of African countries are unable to meet basic requirements of good health care systems. Poor governance and financial resource challenges are linked to ineffective integrations of services in resource limited nations (WHO, 2007).

According to a study by Orekoya et al. (2018), over 5000 people leave Nigeria monthly to seek treatment abroad leading to about 1.2 billion US dollars loss from the country. The Nigerian medical tourism is caused by inadequate health facilities and equipment, poor human resources management, lack of motivation and remuneration, corruption, poor healthcare financing, decreased expenditure on health by the government, political instability, shortage of essential drugs and supplies, inadequate access to health care, absence of integrated system for disease response, prevention, surveillance and treatment; high user fees and inadequate health care providers, and lack of confidence in the nation's health sector.

Ouma et al. (2020) posit that Kenya health sector has persistently struggled with diseases like malaria TB, HIV/AIDS, measles and other problems such as corruption, inadequate allocation of resources which has made it impossible for the country to enjoy quality health care. The sector is associated with frequent strikes by workers, very expensive prescriptions, unattained ratio of health practitioners to population and unequal distribution of health facilities across the country. These challenges have greatly weakened the efforts to achieve the third objective of sustainable development goals seeking to ensure that Kenyans benefit from healthy living by the year 2022.Of importance, is the lack of access or unaffordable health insurance that has left many people at the mercy of relatives and friends whenever hospitalized. While dependency on close members of the family and friends has been a popular trend in dealing with the gaps in the health sector, such collective action can quickly be challenged by situations such as the COVID-19 pandemic.

Narok County has an Integrated Development plan 2018-2022 that has been designed towards positioning the hospital in embracing opportunities and emerging issues in healthcare. Despite the recruitment of new personnel in the hospital, the Narok County Referral Hospital is still characterized by a huge technical staff deficit with a current doctor to population of 1:40000 and nurse to population ratio of 1:15000. Besides human capacity, industrial actions among employed staff have also hampered operations. The hospital also faces regular stock out for essential commodities (NCIDP, 2018-2013).

When strategic plan is successfully implemented, noticeable changes are realized as was experienced in Turkey. Strategy implementation greatly improved the service delivery in the health sector. A report by World Health Organization (WHO) on strategy implementation in health sector in Turkey indicates that by the year 2002 before the Health Strategic plan was implemented, the health system was in poor shape, health indicators including life expectancy such as infant and maternal mortality rates were very low. Ten years later, there was significant improvements in which life expectancy at birth increased from 72.5 percent to 76.9 percent. The mortality rate dropped from 64.0 percent to 15.4 percent among many other improvements (WHO report, 2017).

Implementation of a strategic plan needs well organized organizational resources. According to Denti et al. (2017) organizational resources that are required for strategic plan implementation include finance and manpower, additionally some changes should also take place as may be required in relation to the type of strategic objective to be implemented including organizational culture and human resource management practices.

According to Shamiksha (2020) financial planning is making a decision in advance how much to spend according to the funds at your disposal. This means that before an organization embark on strategy implementation, it should find out how much in terms of finance it would cost to achieve its strategic goals and objectives. Financial planning is a key activity that come immediately after vision, mission and objectives have been set. A good financial plan would indicate the source of finance to fund the strategy, a budget that describes each activity, resources, equipment and materials that that would be required and finally, the financial plan would address timely disbursement of these allocated funds in the budget.

Brown (2020) define a budget as a roadmap of a company strategic plan. At the onset on budget preparation, an organization is said to be preparing on acquisition and use of its resources and finally how well it will be able to achieve its set objectives. Budgeting makes coordination of activities in a strategy to be formal as it aligns these activities to the big picture of the strategic plan. Budget is also important in improving performance evaluation as it provides a common ground for decision on how much an organization met its goals and it will be able to question why there are difference between the budget and the actual results.

Keng'ara (2014) argues that a budget is an essential element in any given sound financial management. He further defines budget as estimation of coasts, revenue and resources over a specific period of time. Budget preparation begins with forecasting how an individual project activity will be undertaken within a given period of time, targets, milestones and timeframe for specific deliverables by specific people. Once all theseare done, an organization gets an annual work plan showing what activities will be carried

out and what goals will be achieved within a given period of time, and all of this is expressed in terms of money. A good budget indicates the source of funding, e.g., a loan, treasury, grant, or all of the above. In Kenya, most public institutions depend on the state treasury.

According to Mensah et al. (2020) At the global level, a comparison between economic growth and spending in health sector shows that the spending has superseded the economic growth. According to World Health Organization (WHO), spending accounts for 10% of global Gross Domestic Product (GDP). A closer look at the budgetary allocation for health sector in Kenya indicate that its expenditure has been on the rise for every other fiscal year. This notwithstanding citizens are still paying too much from their pocket to get proper health care. On an average, Kenya has spent 7.1 percent of the total budget between 2013 and 2017. This is still below Abuja declaration of 15 percent of the total budget which now stands at 2.91 trillion. The table below indicate the average sector spending between 2013 and 2017 and also the pre-and post -devolution budget allocation to health between 2012-2019.

Table: 1.1 Average health sector spending between 2013 and 2017

Financial Year	Total Health Budget (National + County) in billions of KSh	Aggregate Budget (National + County) in billions of KSh	Total Health Budget as a % of Aggregate Budget
2013/14	93.08	1318.37	7.06
2014/15	110.14	1456.76	7.56
2015/16	128.89	1828.45	7.05
2016/17	137.05	2077.94	6.70
			Average = 7.1

Source: Kenyan Health care financing policy 2018

Figure: 1.2 Pre-and post-Devolution Budget Allocations to Health Sector between 2012-2019.
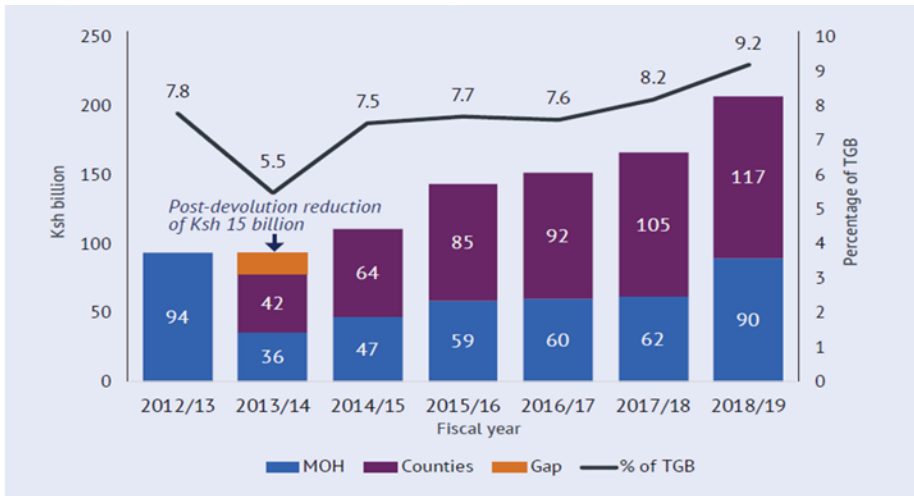
Source*: Health Policy Plus 1331 Pennsylvania Ave NW Suite 600 Washington, DC 20004.*

According to GOK (2014) more than 80 percent of health care provision is offered by the Public Health Care. Health sector has a long history of strategic plans dating way back to the year 1999. The first strategic plan was between 1999-2004 and it was renamed as Kenya Health Policy Framework (KHPF) that was approved by the government of Kenya to be used for implementation of health services in the country. The Ministerial Reform Committee (MRC) was developed in 1997 to help implement KHPF (Muga et al. 2015).

The KHPF focus was majorly drawn from the Kenya Vision 2030 with the main aim of transforming the country into a globally competitive with high quality of life by the year 2030. The Ministry of Health adopted a top-down strategic plan implementation process. The Health sector strategic plans are made in the Ministry of Health and cascaded down to the Counties and finally to the hospitals. The first health sector strategic plan was implemented between the year 1999-2004 and it was called National Health Sector Strategic Plan I (NHSSP I).

The second National Strategic Plan for the Health Sector (NHSSP II) was to be implemented between 2005 and 2010, but was revised in 2008, just three years after its inception. The revised NHSSP II was implemented between 2008 and 2012.The reviewed NHSSP II was implemented in the year 2013-2017, its main aim was to enable the sector to move towards the attainment of health goals as described in the constitution.

Currently the Health sector is implementing the NHSSP III for a period of five years that is from the year 2018- 2022. The current Health sector strategic plan has come at a time when the country is focused toward attainment of universal Health coverage. The NHSSP III is being implemented at a time when the country is facing a serious pandemic affecting the whole world.

This strategic plan if properly implemented will enable the country to achieve the target of health Policy 2014-2030. Narok County has an integrated Development plan running between 2018-2023. The county health sector plan foundationally emanated from the Kenya Vision 2030 through the health policy 2014-2030. The implementation of this plan is guided by budgeting and annual planning as well as performance contracting. During the FY 2018/2019, Narok county allocated Ksh. 2,261,922,134 for the Health Sector out of a total county budget of Ksh. 9,472,053,231. The challenges in the Narok county health sector include high maternal, neonatal and child mortalities from preventable conditions among many others.

According to Otulo et al. (2017) Narok County is one of the 47 Counties in Kenya with an area of 17, 944 sq km, a population of 850, 920 and is the second most rural County, after Tharaka Nithi County. The percentage of those residents living in the urban area is 6.9% while the remaining percentage of residents resides in the rural areas (93.1%),

hence the rurality of the County. This makes Narok County a unique also in terms of health issues like disease prevalence. The county is also unique in terms of its rich cultural belief and practice.

There are six different levels of health care facilities in Kenya. The first five are managed on the county level, the sixth level by the national government. In this system the patients may move from one level to the next by using a referral letter. The health sector is managed by the 47 County governments as provided in the fourth Schedule of the Kenyan Constitution 2010. (Action for Transparency – A4T, 2022)

According to the Ministry of Devolution-GOK (2022) in Narok county, there is one county referral hospital (Narok county referral hospital) and three sub-county referral hospitals namely; Kilgoris, Lolgorian and Ololulunga. The fifth referral facility is a missionary hospital (St Joseph) located in Kilgoris township. In addition, there are 30 health centers, 84 dispensaries and 40 private clinics in the county. Despite all these health facilities being in place, health department is still characterized by a huge technical staff deficit with a current doctor to population of 1:40000 and nurse to population ratio of 1: 15000. Besides human capacity, occasional industrial actions among employed staff have also hampered operations. The department also faces regular stock outs for essential commodities.

Nyakeriga (2015) emphasizes that many authors in strategy research have provided very little attention to strategic plan implementation as compared to strategic plan formulation. According to Nelson (2008) only three out of Five companies managed to translate their strategic plans into actions. Also, according to Beer and Nohria (2000), Miller (2020) organizations fails to implement their strategic plans up to 70%. This scenario pervades

many organizations including the health sector, Narok county health sector being no exception.

A study by Nkosi (2015) to determine factors affecting strategic plan implementation in local municipalities, a case study of Mpumalanga province in South Africa found that lack of adequate financial resource posed a major challenge to strategic plan implementation in Mpumalanga Province. The study also pointed out that overreliance on local revenue collection was a major factor that affected the implementation of strategic plan in Mpumalanga Province. This is a scenario that seems to pervade many organizations in developing countries Kenya being no exception. Worse still the public Hospitals have faced reduction in capitation by exchequer which is likely to affect their activities and implementation of strategic plan. Their internal revenue collection is also very low.

Venance (2018) studied factors affecting strategic plan implementation in Tanzanian Executive Agencies found that Financial Resource and Communication affected strategic plan implementation, found out that there were budgetary allocations for strategic plan activities however due to limited sources of finance, the funds were not adequate to implement strategic plans. This also affects many public organizations in Kenya where a number of hospitals depends on exchequer that cannot meet, they full budget cost so they fail to deliver their services.

Another study by Maina (2018) sought to investigate the factors affecting strategic plan implementation in state corporations in Kenya, a case study of Kenya Cocoanut development Authority Mombasa identified finance and communication as major factors affecting strategic plan implementation in state corporations in Kenya. Without enough

funds the organizations can get into serious debt to rescue itself from the risk of stalling its operations. When the money is finally availed, the cost of borrowing is always never catered for hence a permanent debt for the organization.

Magambo (2012) studied challenges on implementation of strategic plan in public corporations in Kenya, in which adequate and timely disbursement of finance would greatly affect implementation of strategic plan in the public corporations. This could also be true for the case of government hospitals in Kenya as there are many complaints from the county government about the delay in release of funds by the national government. These funds are meant to pay salaries and fund the strategic plan projects like purchase of drugs among other activities.

Ivančić (2013) reviewed papers from 1980 to 2013 to find critical factors affecting strategic plan execution. The research found that budgetary allocation and timely release of allocated funds were critical to strategic plan implementation. This raises the issue of whether it's also true for government hospitals in Kenya, where county personnel may spend three months without pay due to funding delays

1.2 Statement of the problem

The Kenyan health sector is implementing a strategic plan called the Kenya Health Sector Strategic Plan and Investment (KHSSPI) which is being developed at the national level and extends down to Level 1 hospitals. In an ideal situation where health sector strategic plan implementation is successful, there is Improved clinical and diagnostic services, improved efficiency in service delivery, improved reproductive, maternal care and adolescent health, increased number of fully immunized children, Halted and reversed

communicable diseases infection rates, minimized exposure to health risk factors, improved service delivery and improvement in Health service access and efficiency.

Despite Narok County having in place 159 health facilities, the health department is still characterized by a huge technical staff deficit with current doctor to population of 1:40000 and nurse population ratio of 1:15000. Besides human capacity, there are occasional industrial action among employed staff that hampers health operations, Kiplagat (2020). The department also faces regular stock out for essential commodities as indicated in the NCIDP report 2020. In a study by Otulo et al. (2017) it was identified that inadequate health work force, poor staff remuneration, lack of promotion of health workers, lack of essential health facilities and poor working environment with limited resources, heavy workload and exit from employment without replacement as challenges facing health sector in Narok county. Emanating from these would potentially lead to low staff morale, inefficient operational processes, failure to meet performance targets with resultant failure to effectively meet performance output and outcomes, the key ingredients of successfully implementing the Narok County referral hospital strategic plan specifically.

The NCRH strategic plan was revised in the year 2022, only one year before the 2018-2023 strategic plan timeframe was expected to come to an end. In the 2021-2026 NCRH strategic plan, some projects have not been completed depicting unsuccessful strategic plan implementation. These scenarios could be as a result of lack of proper budgeting, bookkeeping and disbursement of allocated funds- the key elements of financial control.

Research studies have indicated that more formal budgeting planning promotes strategic plan implementation Qi (2010), that there is a positive relationship between budgetary participation strategic plan implementation Zonatto (2020), that accurate information got from bookkeeping helps in making decisions and strategic plan adjustments (Musah (2017), that there is a relationship between resource allocation and county government performance Kimencu (2020) and Wanja (2020) and that projected completion rate is affected by availability of resources (Kariithi, 2018). Based on these findings, the study sought to investigate influence of financial control on strategic plan implementation at the Narok County referral hospital in Kenya.

1.3 Research Objectives

1.3.1 General Objective

The general objective of this study will be to investigate the influence of financial control on strategic plan implementation at the Narok County Referral hospital.

1.3.2 Specific Objectives

This study was guided by the following specific objectives;

   i.   To determine the influence of budgeting on strategic plan implementation in Narok County Referral Hospital.

  ii.   To examine the influence of book keeping on strategic plan implementation in Narok County Referral Hospital.

 iii.   To investigate the influence of disbursement of allocated funds on strategic plan implementation in Narok County Referral Hospital.

1.4 Research Hypotheses

The study was guided by the following Hypothesis.

1. *Ho:* There is no relationship between budgeting and strategic plan implementation strategic at the Narok County Referral Hospital.

2. *Ho:* There is no relationship between book keeping and strategic plan implementation at the Narok County Referral Hospital.

3. *Ho:* There is no relationship between disbursement of allocated funds and strategic plan implementation at the Narok County Referral Hospital.

1.5 Significance of the Study

The study is of value to the Government and policy makers in emphasizing strategic plan implementation as a competitive tool against their competitors and understand the role of financial control on strategic plan implementation towards attainment of Kenya vision 2030. It acts as a sensitization tool to those undertaking strategic change.

The findings of the study are of value to medical professionals and academia as supplementary knowledge to existing knowledge. Healthcare professionals may use the results of this study to mitigate the role of financial control in the implementation of the strategy that affects service delivery. For researchers, it stimulates future research in public and private health institutions and form the basis for other related institutions.

The findings of the study add value to management practice in the health sector and to public and private health institutions in other countries in assessing the effectiveness of their financial controls in implementing their strategic plan and informing them of the

potential strategic challenges that can be expected in completing their mission, Managing the role of their human resources and the need to include them in the budgeting process.

1.6 Assumptions of the study

This study made an assumption that all respondents were honest and reliable with the relevant information. That all relevant reports (evaluation, status) and documents would be available at the disposal of the researcher. The data that collected would be accurate and a true reflection of the actual situation of the hospital.

1.7 The Scope of the Study.

The study sought to investigate the influence of financial control at the Narok County referral hospital in Kenya. The respondents being all the heads of Departments because they are the implementors of 2018-2023 strategic plan.

1.8 Limitations of the Study

The study was limited to public hospitals in Kenya more specific to Narok County referral Hospital and therefore the results cannot be generalized to the other public hospitals like sub county referral hospitals among others. Secondly, the study did not cover all other indicators of financial control but only budgeting, bookkeeping and disbursement of allocated funds. Other statistical methods such as multiple linear regression analysis would probably yield different results. Finally, the study was based on Narok county referral hospital whose management could be different from other county referral hospitals in Kenya. These limitations will not affect the study from achieving its objective.

2.1 Introduction

The chapter reviews theories and investigates the concepts in the study, namely, budgeting, book keeping, disbursement of allocated funds as well as their effects on strategic plan implementation in Narok County Referral hospital.

2.2 Theoretical Review

According to Vinz (2020) A theoretical review provides particular viewpoints through which to mirror the area of study. In an attempt to understand the influence of financial control on strategic plan at the Narok County referral hospital, three theories (public budgeting, balance score card theory and Functionalist theory) are employed to explain the relationship between financial controls and strategic plan implementation.

2.2.1. Balanced Score Card Theory

The proponents of Balanced Scorecard theory are Kaplan, a long-life consultant and Norton who is a Harvard University professor. Kaplan and Norton (1992) conducted a study of several companies to discover the new approaches of performance measurement. The study was necessitated rising belief that indicators that were used to measure performance were ineffective for the current business enterprise. According to Dumisa, (2014) the managing directors of the study companies under the study, together with Kaplan and Norton, were persuaded that dependance on financial measures of performance only effected their capacity to create value. The group deliberated on other possible indicators but settled on a new idea of a scorecard, highlighting performance

measures that considered all activities in the organization such as those affecting customer, business procedures, employees and shareholder concerns.

Chiando (2017) defined Performance measurement as method of quantifying organizational process in terms of its efficiency and effectiveness. Measuring organizational performance denotes customer satisfaction while efficiency measures the economical utilization of resources. Organisations should consider both financial and non-financial indicators to measure their organisational performance. Kaplan and Norton (1992) echoed that financial indicators do not take into consideration non-financial measures like efficiency, customer perspective, new business processes and never emphasize on the future.

According to Balanced Scorecard: Advantages and Disadvantages (2020) emphasizes that the BSC has several advantages, but there are also weaknesses that cannot be ignored. First, it has to be tailored to the organization as it is intended to provide a framework to work with, and while the examples are helpful, they cannot be replicated directly due to the individual needs of each organization. Secondly, leaders need to be involved in order to succeed. In order for the balanced scorecard to be fully effective, it must be implemented from the bottom up in the organization. Not to mention the learning curve for the entire organization to use the new system. Last but not least, this can be difficult. Building a balanced scorecard requires time and effort to understand. There are plenty of resources and case studies to read, and it's easy to fall into the various uses of this method. Finally, BSC need a lot of data to be operational. In most cases, the balanced scorecard requires the manager and team members to exchange information and record

data. Many people don't like this as they find it double tasking at the expense of their normal work routine and this interferes with the tasks required to achieve their goals.

Having reviewed these weaknesses, it is important to note that this study was not affected in any way by these weaknesses. Both public, private, profit and nonprofit sectors have translated the Balanced Score Card and im-implemented it.

This study adopted Balanced Scorecard theory to describe the measure of performance of county referral hospitals in terms of strategic plan implementation and to be precise, the financial perspective of the Balanced Score Card. which in strategic plan implementation at the Narok County referral hospital can be measured by cost and time of disbursement of funds. Therefore, the balance score card was the main theory that anchored the study.

2.2.2 Public Budgeting Theory

The first authors to further develop the public budget theory in four perspectives in 2004 were Smith and Lynch Koitaba (2013). The political perspective, where the politician sees the budget process as "a political event held in the political arena primarily for political gain".). In this case, it is used by the economist to provide the best information to the managers when making decisions. The accountant's point of view emphasizes the value of accountability in budgeting, analyzing the budgeted amount for actual expenditures, According to Smith and Lynch, the public manager's perspective on a budget is a political tool to describe the implementation of public policy (Cedarville, 2019)

According to Johnson (2022) key element of financial data activity is in the budgeting. In public organization, budget is the approval authority to use money. Adoption of a budget

in the public sector indicates that decisions has been made by the management that culminates in matching a government's resources with the organization's needs hence a budget becomes a product of the planning process. The budget also provides an important tool for the control and evaluation of sources and the uses of resources. Using the accounting system to enact the will of the governing body, administrators are able to execute and control activities that have been authorized by the budget and to evaluate financial performance on the basis of comparisons between budgeted and actual operations. Thus, the budget is implicitly linked to financial accountability and relates directly to the financial reporting objectives. The link between financial planning and budget preparation gives the budget document a unique role in governmental organizations. Budgets in the public arena are often considered the definitive policy document because an adopted budget represents the financial plan used by a government to achieve its goals and objectives. When a unit of government legally adopts a financial plan, the budget has secured the approval of the majority of the governing.

This study considered all the four perspectives of budgeting because they are in one way or another contributing to strategic plan implementation with accountant perspective carrying more weight than the other three because it focuses more on control aspect of budgeting.

2.2.3 Functionalist Theory

Functionalist theory was developed in 1957 from the viewpoint of functionalist analysis (Neumeyer,1958). Origins of Functionalist Theory by Edward de Zurko. A project has been described as an operational unit that functions a s a whole though with very many different parts. It is very important for managers to understand how each and every part

of a project is related to the other when checking at the functionality of each part, this is because each part of the project contributes to the success of the whole by balancing the system's stability.

Baert and DaSilva (2010) explained that Functionalism is concerned about project structure and its functionality as a system to execute its primary functions. Functionalists see the connection between various projects as one of cooperation and interconnection. Particular Strategic Plans have various projects that have several stages with different activities. No any single activity is autonomous, it follows therefore that exchange services and relations between different has reciprocity. This relationship extends to strategic plan implementation in Government hospitals in Kenya. For effective strategic plan implementation, budgetary allocation bookkeeping and disbursement of allocated funds must work together. The relation among the parts (budgetary allocation bookkeeping and disbursement of allocated funds): how these parts are functioning positively or negatively impacts on projects (Van, 2013).

when budgetary allocation, bookkeeping and disbursement of allocated funds lose functions, it becomes more delicate, creating a rise in stalled and incomplete projects and the changes in a project illustrate how a project can lose function. According to Pope (1975) structural function theory has been criticized for failing to adequately explain social changes. The somewhat closed nature of this theory is also problematic. Repetitive behaviors are considered functional, but we claim that we know they are functional only because they are repetitive. In addition, dysfunction persists even when it doesn't work. This obviously contradicts the basic premise of many sociologists. They now believe that functionalism is no longer useful as a macro theory, but in some cases it useful to Mid-

level analysis and therefore this weakness did not have effect on the outcome of this study.

2.3 Conceptual Framework

This study's conceptual framework was modeled on the functionalist theory developed by Emile Durkheim De Zurko in1957. The proponents of the theory assert that a society is more than the summation of its fragments or parts rather each part works for the stability of its whole. This made Durkheim to describe a society as one organism given that each of its components performs a vital role but can't stand on its own. He further argues that when one part of the organism experiences any hitch, the other parts must cope up to fill the void.

According to the theory, different parts of society are primarily composed of social institutions, each designed to fill different needs of people such as education, media, government, economy, family, and religion are significant to understanding this theory and the fundamental institutions that define sociology. According to functionalism, an organization only exists in order to serve a vital role in the operational of society. If it no longer serves a role, an organization will cease to exist (Crossman, 2020).

In view of Emile's theory, strategic plan is made up various projects and each project has got several activities that are very vital to the final objective of the project as a whole. The project must have a plan in terms of budgeting control, at the same time there must be disbursement of allocated funds to enable the activities go well as planned. In the process of budget implementation, book keeping is also very vital to help in control of utilization of allocated funds to ensure that they are doing what they were meant to do.

From the forgoing therefore, only meaningful to study influence of financial control on strategy implementation in county referral hospitals in Kenya is through functionalist modeling theory. As applied in this study, the theory holds that the independent variables (Budgeting control, Book Keeping and Disbursement of allocated funds) influence strategic plan implementation at the Narok county referral hospital. Therefore, the conceptual framework for the study depicted in figure 2.1 was developed.

Figure 2.1 Conceptual Framework
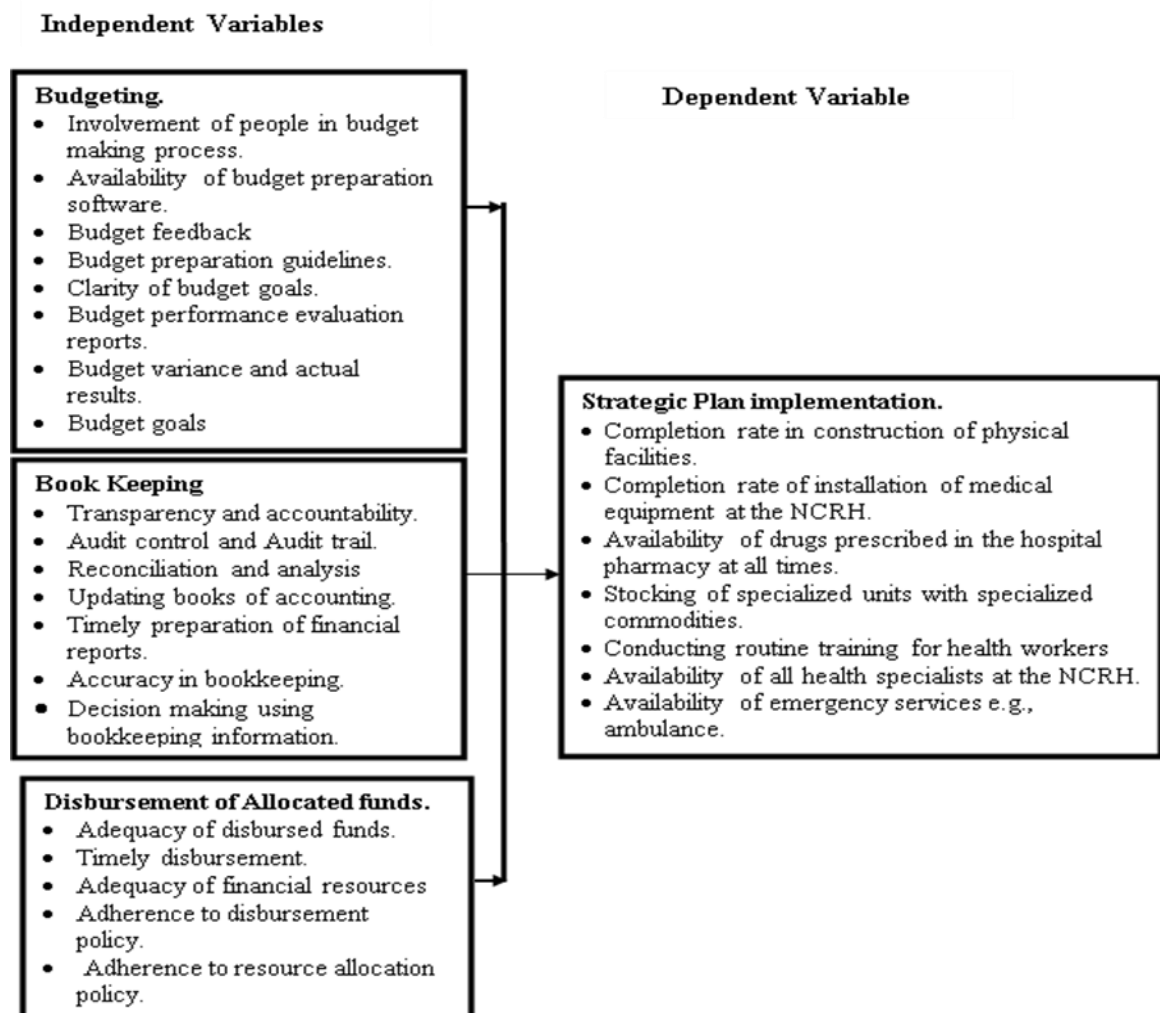
Source: Author (2022).

2.3.1 Budgeting

Aosa (1997) studied influence of the linkage between strategy and budgeting of implementing strategic decisions in large private companies in Kenya. Budgeting as a variable was measured in terms of Success in strategy implementation and Strategy-budget sequence. The organizational success in strategy, implementation was measured by evaluating strategic decision which had recently been implemented in different companies while strategy-sequence was determined by establishing whether strategies preceded budgets or some other sequence was in place. The finding of the study reviled that there is a higher success score in companies that maintained strategies budget linkage than those that did not.

Qi (2010) studied impact of the budgeting process on performance in small and medium-sized firms in China. The study measured budgeting in terms of its planning process, clarity and difficulty in budgeting goals, level of sophistication, the formal control of budget, the participation of people in the budgetary making process, size and ownership of the firm. The findings of the study indicated that, formal budgeting process increases the growth in sales and revenues. A budget with clear and difficult goals improves the performance. A budget that is highly sophisticated results in low profit growth in SMEs. A highly formal budgetary control leads to higher growth in profit. High level of budgetary participation leads to a better performance of the management.

Zonatto (2020) investigated the effects of budgetary participation on managerial attitudes, satisfaction, and managerial performance. The study measured involvement of individuals in budget making process, attitudes attributed to the individual thoughts or feelings to behave towards a defined attitudinal object, attitudes towards work activities,

23

the structural or social conditions of work environment and finally the self-assessment scale to identify how budget responsive controllers evaluate their performance. The study found out that Budgetary participation directly and positively influences managerial attitudes toward budgeting, job satisfaction and controllers' performance in budget activities. Managerial attitudes toward budget and job satisfaction mediate the relationship between budgetary participation and managerial performance. Budgetary participation positively influences the level of use of the budget for the purposes of performance evaluation and contributes to the development of budgetary knowledge of managers.

The related studies reviewed indicates that budget participation, budget feedback, budget sophistication, budget control, budget guidelines have not been measured. This study therefore filed this gap by measuring these indicators through enquiring whether various heads of units request or input are sought during budget making process at the NCRH, whether heads of units are involved in budget follow ups, whether proposals by heads of units for budget alteration are taken seriously, whether heads of units are assisted by technical person when preparing budget for the department/Section, whether there is a software for developing budget, whether it is easy to access actual data for the previous year when preparing budget, whether heads of units are informed of departmental adjustments and changes in the periodic budget reports as a feedback mechanism, whether there are clear communication channels about budget performance, whether budget goals are clear and well understood by the heads of units, availability of budget guideline to be used in budget preparation, whether NCRH budget has clear performance indicators that are measurable, whether the differences between budget and actual results

are in various units or department are analyzed periodically, whether the management always takes action on identified variance between the budget and actual results. And finally, whether budget performance evaluation reports are prepared periodically and shared with the heads of units.

2.3.2 Book Keeping

Gathuru (2017) studied "technical skills affecting the effectiveness of financial control in community support funds in Kenya: a case of Maasai mara community support fund", He examined the effect of book keeping skills on the effectiveness of financial control in Maasai Mara Community Support Fund Book keeping skills was measured using seven parameters: Accounting standards; subscription to the standards; updating of accounting records; time aspects in preparation of financial reports; establishment of book keeping; integrity of the book keeping reports and finally approval of financial statements. The study found out that "CSF uses standard accounting system, subscribe to international accounting standards, updates accounting records regularly, prepares financial reports on a timely manner, have well established bookkeeping systems, have accurate reports, approves financial statements by the relevant authorities".

Musah (2017) conducted a study to examine the benefits and challenges of bookkeeping and accounting practices of SMEs and their impact on growth and performance in Ghana. In this related study, book keeping was measured in terms of the types of bookkeeping kept by SMEs; the degree to which bookkeeping support the operations and growth of the SMEs and performance; the general attitude of SMEs owners towards bookkeeping practice and the challenges faced by the SMEs entrepreneurs in bookkeeping practices. The study found out that SMEs keeps invoices for all business purchases & expenses,

Details of amount pay into or taken, Records of receipts & disbursements, Copies of business bank statements, Record of all business purchases & expenses, Record of client's names & measurement details and Record of business sales. Sales Day (Receipt) Book, Purchases Day (Order) Book, Expenditures (Bills) Book, Payroll Records and Asset Register. Statement of Cash Flow, Statement of Income, Statement of Financial Position.

The benefits of bookkeeping identified included Essential for decision making & adjustments, reduces operating costs & improves efficiency, Essential for preparation of financial statements, assist in resource allocation & performance planning and Increase the chances of the business operating &achieving success. Challenges faced by SMEs identified in book-keeping included Lack of accounting knowledge, Cost and time constraints, Inadequate education & training skills, Fear of discouragement in case of loss, Absence of guidelines for bookkeeping and accounting and finally recordkeeping that equates to their size of business.

In another study by Osman et al. (2018) that sought to examine bookkeeping and perception of growth of small and medium scale enterprises in the Cape Coast Metropolis. Bookkeeping was measured by finding out the types of records kept by SMEs operators, Assessment of the relationship between levels of education of SMEs owners' and willingness to keeping business records and examining the perception of SMEs owners on the effects of bookkeeping on the growth of their enterprises. The study found out that SMEs kept Sale journal, Purchase journal, Cash receipt book, Creditor (Payables) ledger, Stores voucher or Goods received notes, Separate bank account separate for business, Cheque payment book, Petty cash book, Debtor (Receivables)

ledger, Payment voucher and General journal. Majority (74%) of SMEs owners and operators perceived bookkeeping as an important. The challenges that confronted SMEs owners in bookkeeping were lack of personal knowledge in bookkeeping, lack of record keepers, time and resources constraints among others tool for business growth. Finally, majority of SMEs owners perceived bookkeeping to have an effect on the growth of SMEs and level of education of SME owners or managers also had a positive relationship with their bookkeeping practices.

The related studies reviewed indicated that transparency and accountability, audit trail and control, reconciliation and analysis, have not been measured. This study is therefore filed this gap by measuring these indicators through enquiring whether bookkeeping at NCRH helps in achieving transparency and accountability of funds, whether bookkeeping at NCRH has made it easy for financial audit trail and control, whether bookkeeping at NCRH has heled in carrying out effective financial reconciliation and analysis, whether NCRH has well established bookkeeping, whether NCRH updates its accounting records regularly, "whether NCRH prepares its financial reports on a timely manner, whether NCRH financial statements give accurate reports, whether information from bookkeeping help NCRH to manage cost and expenses, whether Information from bookkeeping enable NCRH to take certain control measures to improve strategy implementation, whether bookkeeping analysis highlight NCRH's strengths and shortcomings an finally whether NCRH's use bookkeeping analysis information to improve its performance".

2.3.3 Disbursement of Allocated funds.

In a study by Jesephine and Kimencu (2020) to establish the effects of resource allocation in strategy implementation on the performance of Nairobi City Government, resource

allocation was measured in terms of: timely allocation of resources; availability of allocation policy; adequacy of resources and finally the availability of the resources.

The findings of the study indicated that county government do not disburse fondly on a timely manner, financial resources disbursed to the county government do not enables it to meet its need, that County government departments are not well equipped, Policy ensures that resources are allocated to areas of greater strategic need, availability of technological resources does not enables the county government to effectively implements its strategic need, County government allocates resource based on resource allocation policy, county government uses policy controls to allocate resources to areas where they are able to result in greater efficiency in use, that there is inadequate financial resource for implementation of county government activities, functions assigned to the county governments are not backed by the necessary resources to support their implementation, revenue transfer requires appropriate approval as determined by the policy of each administrative unit, County government budget does not reflects the actual cash available for spending.

In a related study by Wanja (2020) to investigate Factors Influencing the Performance of Projects in NGOs funded by WFP in Kenya: A case of Action against Hunger (AAH), Resource allocation was measured in terms of: adequacy of financial resources; timeliness in allocation of resources and resource policies. The study established that resource availability in the organization influences the timeline of completing projects. That the management releases resources on time and follows all resource allocation policies. resource allocation has a positive and significant influence on the performance of projects in (AAH) funded by World Food Programme in Kenya. resource availability

in the organization influences the timeline of completing project. the management of the organization was not allocating resources on time and were rarely following resource allocation policies.

Kariithi and Mbugua (2018) studied the influence of project funding on the implementation of County development funded projects in Kiambu County. The study measured resource allocation in terms of existence in accountability in use of funds, effects of delay in funding on project implementation, effects of amounts of finance allocated to project on their completion. The findings revealed that lack of proper accountability of projects funds led to budget deficit causing delays in project completion. The study also found out that delays in disbursement of county funds from the treasury caused delay in the implementation of county projects.

The related studies reviewed indicated that adequacy of disbursed funds, time of disbursement, utilization of disbursed funds and disbursement procedures have not been measured. This study therefore filed this gap by measuring these indicators through enquiring whether the money disbursed for the projects were adequate, whether the finances are disbursed at the right time, whether the finances disbursed are utilized for the intended purposes, whether there are disbursement procedures followed at NCRH. The effects of complexity of disbursement procedures on project completion time. Effects of errors in documentation submitted to the management on disbursement time, effects of unresolved audit matters on disbursement of funds, effects of delays in payments of goods and services on projects completions, availability of capacity to utilize allocated funds and finally ability of the heads of units to track disbursement flows a Strategic Plan Implementation.

2.3.4 Strategic Plan Implementation

Kamau (2015) studied strategic plan implementation in government hospitals in Kitui County. The study measured strategic plan implementation in terms of organizational structure, utilization of human resources, adequacy of financial resources and also in terms of monitoring and evaluation. The study implored on the perception of the level of the respondent's agreement with the parameter's relation to strategic plan implementation in Kitui County. The study reviled a significant relationship between organizational structure, proper human resource utilization, adequate financial resources, monitoring and evaluation and strategic plan implementation.

Okech (2013) studied strategic plan implementation by private hospitals in Nairobi county. The study measured strategic plan implementation using the following eight indicators: strategic plan existence, strategic plan time frame, strategy formulation process, strategy implementation rate, monitoring and evaluation process, involvement of departmental heads in decision making, departmental involvement rate at formulation stage, departmental involvement rate at implementation stage and departmental involvement rate at monitoring and evaluation stage. The study found out that majority of respondents rated the indicators high in terms of their effects on strategy implementation process.

Ahmed (2017) studied challenges on strategic plans in Nairobi county. The strategic plan implementation as dependent variable was measured using seven indicators such as organizational structure, strategy formulation, communication, resource insufficiency, organizational culture, commitment and human resource. From the findings the results indicated that organizational structure, strategy formulation, communication, resource

insufficiency, organizational culture, commitment and human resource had greater effects to strategic plan implementation.

The studies reviewed on how strategic plan implementation was measured indicated that Kamau (2015), Okech (2013) and Ahmed (2017) did not look at the performance indicators of strategic plan implementation. According to Tyagi, R., and Gupta, P. (2013) Setting of key performance indicators is a crucial aspect in strategic planning implementation because it is used to measure the progress of an organization towards achievement of activities and projects planned. This study therefore measured strategic plan implementation using key performance indicators of NCRH strategic plan.

2.4 Empirical Review

Aosa (1997) studied influence of the linkage between strategy and budgeting of implementing strategic decisions. The two objectives of the study were to evaluate the success score of strategies that have been already implemented and also to establish whether strategies preceded budgets or some other sequence was in place. The study applied survey methodology. Data was collected among the large private manufacturing companies in Kenya. A sample size of 73 companies was used from a frame of 548 companies. Personal interviews were conducted to chief executive officers or their deputies in two phases, phase one involved oral open-ended question and phase two involved filling questionnaires.

The data collected was analyzed using non parametric Mann-Whitney U test for detecting significant inferences. The findings reviled that companies that maintained strategy budget linkage registered consistently higher success scores than those that did not

maintain the linkage. The difference was statistically significant (prob-value. P=0.000). 39 companies translating to 53% reported that they first developed strategies followed by budgets. The probability for the Man witney test of significance was .0000 indicating that the difference in success between the two groups of companies was highly statistically significant.

The study focused only on strategy budget linkage as the only factor affecting strategy implementation. It will be difficult to make conclusions because if other factors were also included that the outcome of the study could have been different. This study will fill this gap by evaluating other factors like budgetary participation, effects on budget feedback, budgetary control, budget timeframe and budgetary policies.

Qi (2010) conducted a study entitled "The Impact of the Budgeting Process on the Performance of SMEs in China". The four objectives were: To explore the theoretical impact of budgeting on performance in small and medium enterprises; To define and determine how to measure performance in SMEs; To understand how budgeting effects on the performance in Chinese SMEs; To investigate whether the theoretical impact is changed by the corporate context (i.e., size of firm, ownership) in SMEs.

The study adopted Descriptive, Desktop research, exploratory and Survey research designs A sample size of 75 SMEs was sampled from a sample frame of 150 SMEs. Secondary literature was obtained from books and journals in library or the Internet (Secondary Data). Primary data was obtained from filling questionnaire. Descriptive data from questionnaires Generally, descriptive statistics from SPSS provided numerical information regarding the extent of budgeting process in Chinese SMEs, how the firm

performance of Chinese SMEs is, and the possible implication of their correlations. Statistical data was analyzed using statistical analysis and hypotheses were either rejected or accepted. The answers for empirical questions were given based on statistical data.

The findings of the study indicated that: More formal budgeting planning promotes higher growth of sales revenues in SMEs. Clear and difficult budget goals improve budgetary performance of SMEs. A higher level of budgetary sophistication results in a lower profit growth of SMEs. More formal budgetary control leads to a higher growth of profit in SMEs. Greater budgetary participation leads to better managerial performance. Medium-sized firms achieve higher profit growth than small firms. More formal budgetary control leads to a higher growth of profit in SMEs. Greater budgetary participation leads to better managerial performance. Medium-sized firms achieve higher profit growth than small firms. State-owned enterprises achieve better non-financial performance than small firms This study was focused on Small and Medium Enterprises in China whose management are different from larger public organizations whose management are done by the government. This study will focus on public organization to be more specific, the Public referral hospital.

Zonatto (2020) in a study in titled "The Effects of Budgetary Participation on Managerial Attitudes, Satisfaction, and Managerial Performance." The objectives of the study were; To determine the relationship between budgetary participation and managerial performance and to determine the relationship between budgetary participation and managerial attitudes at work. The study adopted descriptive, quantitative and survey methodology. The research samples had the voluntary participation of 316 individuals from a sample frame of 852 companies with budgetary responsibility from different

organizations based in Brazil. The instrument used for data collection was a questionnaire composed of 26 objective multiple-choice questions. Statistical analysis was performed using descriptive statistics and exploratory factor analysis to validate the measurement constructs according to the analysis criteria and the analysis of the relationships investigated through the modeling of structural equations with the aid of AMOS® software.

The results of the study indicated that: There was a positive and significant relationship between budgetary participation and managerial performance; There was a positive and significant relationship between budgetary participation and managerial attitudes at work. There was a positive and significant relationship between budgetary participation and job satisfaction. Managerial attitudes and job satisfaction mediate the relationship between budgetary participation and managerial performance. The results found that management performance is affected by the joint effect of budgetary participation with management attitudes. Participation in budgeting processes improves controllers' managerial attitudes and job satisfaction positively and indirectly affecting the managerial performance of these managers.

Other indicators that influence budget were not controlled in this study such as Budgetary participation, Budgetary feedback, Budgetary sophistication and Budgetary control. The study focused on private manufacturing companies whose management of budgeting could be totally different from that of public health Sector hospitals

Gathuru (2017) in a study "to examine technical skills affecting the effectiveness of financial control in community support funds in Kenya sought to achieve four objectives

as follows: Firstly, to find out the effect of numeracy skills on the effectiveness of financial control in Maasai Mara Community Support Fund; Secondly, to examine the effect of book keeping skills on the effectiveness of financial control in Maasai Mara Community Support Fund; Thirdly, to establish the extent to which budgeting skills affect the effectiveness of financial control in Maasai Mara Community Support Fund and Finally, to assess the effects of auditing skills the effectiveness of financial control in Maasai Mara Community Support Fund".

The study used descriptive cross-sectional research deign with a target population of 136 stakeholders. Census sampling technique was employed in this study as it covered the whole population of interest (Creswell & Miller, 2000). The sampling techniques also enabled the study to minimize bias and have minimal errors while interpreting the data he collected as explained (Kothari, 2004; Ritchie & Lewis, 2003). Data was collected using questionnaire. With the help of SPSS software, data collected was analyzed using descriptive and inferential statistics.

The study revealed that "66.7% of the respondents perceived that numeracy skills have effects on financial control while 100% of the Board member, 80% of the fund officials and 75% of the committee members were in agreement that Maasai Mara CSF Officials have been trained in financial numeracy skill. 100% of the board members, 90% of the fund employees and 87.5% of the committee members agreed that Maasai Mara CSF has fully functional finance department". There was therefore a general perception indicated that the organizational has a fully operational finance department dealing with financial issues in the organization. "The study also found out that the there was an experienced finance personnel at the Maasai Mara CSF with Majority of the respondents 100.0 %

35

being board members, 100.0 % fund officials and 82.3% committee members". The study only focused on small community funding organizations which do not compare to public hospitals in terms of management, funding and roles. This study will now fill this gap by carrying a study in the public health sector.

Musah (2017) sought to identify advantages and bottlenecks in bookkeeping and accounting practices of SMEs, their effect on growth and development in Ghana. The general objective was to examine and investigate bookkeeping and accounting practices in SMEs and the degree to which they boost processes and progress of the enterprises. This was made possible by establishing types of bookkeeping and accounting practices kept by SMEs; the degree to which bookkeeping and accounting information support the operations and growth of the SMEs and performance; the overall attitude of SMEs owners towards bookkeeping and accounting practices likewise to challenges faced by the SMEs entrepreneurs in bookkeeping practices.

The study adopted quantitative design using a cross sectional survey approach. Purposive sampling method was used to pick enterprises that had experience of five years and beyond of their operation within the region. Simple random sampling was used to select 120 SME owners/managers from the SMEs that had experience of five years and beyond. Data collection was done using open and closed ended questionnaires. The study used descriptive statistics with focus on the mean response as well as their standard deviation. Finally, the study used Pearson correlation analysis to establish the relationship between bookkeeping practices and SMEs growth and performance. Five types of bookkeeping and accounting records were found to be kept by SMEs namely; Invoices, sales data, amounts received or received, and receipts and payments. In terms of frequency, the data

show that 'invoices for all business purchases and expenses' were ranked highest with 23.3% and 'details of amount pay into or taken' ranked second with 18.3%. The 'records of receipts and disbursements' ranked third with 15.0%, the 'copies of business bank statements' ranked fourth (13.3%) and the 'record of all business purchases and expenses' ranked fifth with 10.8%, the sixth ranked is the 'record of clients' names measurement details' (10.0%), and the 'record of business sales' ranking last (seventh) with 9.2%. His findings confirmed Onaolapo and Adegbite (2014) who indicated that SMEs do have bookkeeping records, especially to track of income and expenses, purchases, sales and cost of sales which improves chances of making a profit

The findings of the study further indicated that five different kinds of accounting records are kept such as; sales day receipt books (35.8%), Purchase day order books (25.0%), Expenditure bills book (23.3%), Payroll record (1.7%) and Assets register was the lowest at (4.2%). The findings are in agreement with Madurapperuma et al. (2016) that SMEs do keep wide-ranging set of accounts to enable them capture sales and cost of sales. Their study further indicated that SMEs especially, in the retail business kept wide-ranging set of accounts for monitoring inventory and those in the service sector keeps cash book as owners try to monitor their cash.

The study explored on impact of bookkeeping on organizational performance and the findings based on the perception of SMEs owners were as follows; 44.2% of SMEs owners stated that accurate information got from the bookkeeping helps hemin making decisions and business adjustments. 23.3% of them said that accurate bookkeeping helps them reduce operating cost and improve the business efficiency. To some 14.2%, accurate bookkeeping information helps them in preparation of financial statements and

finally, 12.0% reported that bookkeeping helps them in resource allocation, hence business success. Howard (2009) confirmed these results, emphasizing that many small businesses fail to keep proper records, which leads to serious problems and possible business closures.

The study also reviled that managers and SMEs owners had appositive attitude towards bookkeeping even though they lacked requisite knowledge on accounting and bookkeeping. Majority of the SMEs owners and managers expressed they would be trained on recording skills should they be given that chance. The respondents also expressed their interest to learn about account record. The findings are in line with the findings of Muchira (2012) that respondents had positive attitude towards recordkeeping. Likewise, the results empirically relate to Madurapperuma et al. (2016) who discovered that the owners and managers of SMEs were highly willing to learn more about how to keep accurate records of their business transactions. The scope of the study was SMEs whose management are different from public institutions. This study is therefore going to fill these gaps by studying public institutions to be more specific, the county referral hospital. The study will also focus on book keeping as a financial control tool and its effects on strategy implementation.

Osman et al. (2018) studied perception of business owners about the effect of bookkeeping on the growth of SMEs in the Cape Coast Metropolis. The basis of the study was based upon the three objectives of namely: To examine the types of records kept by SMEs operators; To assess the relationship between levels of education of SMEs owners' and willingness to keeping business records; and three to examine the perception of SMEs owners on the effects of bookkeeping on the growth of their enterprises. The study

adopted survey as research design. The population of the study was SMEs engaged in trading, services and manufacturing in the Cape Coast Metropolis. A sample size of 135 registered SMEs was obtained from a total of 413 registered SMEs at the Cape Coast Chamber of Commerce. This was determined using the Krejcie and Morgan sample size determination table. Simple random sampling method was adopted to protect against biases and allow a justifiable inference from the sample to the population. The main data collection instrument was a questionnaire which contained mostly structured questions, relating to each of the variables in question. With the response rate recorded at 74% representing 100 respondents of SMEs. Descriptive statistics and chi-square test were used in data analysis.

The findings of the study revealed that three types of records were kept by SMEs which included; sales journal (93%), Purchase Journal (66%) and Cashbook (83%). The study also reviled a number of records that were not kept by SMEs such as 62% did not have separate accounts of business and that of the SMEs. 66% SMEs did not have cheque payment books. 66% did not have petty cash book. 77% did not have debtor's ledger. 70% did not have payment voucher. 77% did not have general business journal for records keeping.

Ismail and King (2007) and Muchira (2012) research findings are in agreement with these findings that there are some basic financial records that SMEs managers or owners need to keep in order to realize success in a business. The basic records include but not limited to purchases day book, debtors' ledger and creditors' ledger sales day book, petty cash book, cash receipt book, general journal, cheque payments book, nominal ledger. The study also sought to determine if there existed any relationship between the level of

education and the degree of bookkeeping. The findings indicated that only 1% of people with no education at all kept records. Only 2% of people with basic education agreed to be keeping records. Only 4% of people with technical education kept records. Only 12% of those with SHS agreed to be keeping records. Only 27% of HND holders kept records and finally only 29% of those with first degree agreed to be keeping records. These findings clearly indicates that the level of education qualification among SMEs managers and owners and level of bookkeeping records are directly proportional. This means that bookkeeping level increases with the level of academic qualifications.

The results are concurrence with Tolentino (2000) who asserted that willingness to bookkeeping practice is dependent on the level of education of the owner. The findings were also confirmed by those of Muchira (2012) that educational level and owners and managers experience has impact on the quality of bookkeeping. The same has also been established by Shane (2000) technical skills in bookkeeping practice is support by higher level of education. And finally, Westhead, Wright and Ucbasaran (2001) asserted that higher education level means getting abilities that enables SMEs owners and managers to keep better records to acquire new and better opportunities.

It was also found out that majority of the SMEs surveyed do not keep records, many did not even know whether they were experiencing growth in their businesses. For instance, 73 percent did not agree that they experience any growth in sales over the last one year and 65 percent did not agree that they experience any growth in their customer base much less in profitability. All these are the ingredients for business growth and survival. This finding is not surprising because Alhassan and Muazu (2014) who linked proper record keeping to profitability of small-scale enterprises in Nigeria found that lack of proper

record keeping makes it impossible for owners of small businesses to do a critical assessment of their performance. The authors called for the maintenance of proper record keeping in enhancing their profitability and performance. In the same vein, Muchira (2012) opined that if one does not keep accurate and complete records the success of the business could be threatened in many ways. The scope of the study was SMEs whose management are different from public institutions. This study is therefore going to fill these gaps by studying public institutions specifically the county referral hospital. The study will also focus on book keeping as a financial control tool and its effects on strategy implementation.

Josephine and kimencu (2020) carried out a study entitled Resource allocation in strategy implementation and performance of Nairobi city county government, Kenya. The objective of the study was to establish the effects of resource allocation in strategy implementation on the performance of Nairobi City Government. A stratified random sampling was used to arrive at a sample size of 114 participants from a target population of 161 employees from 10 departments. The study adopted Explanatory research. "Secondary data was got from the annual reports of Nairobi City Government and primary data was collected using open ended questionnaire". Thematic analysis was used to analyze qualitative data and presentation of results was in a narrative form. The analysis of quantitative data was done with using inferential and descriptive statistics. Frequency distribution, mean (a measure of dispersion), standard deviation (a measure of dispersion) and percentages were the descriptive statistics used in the study. Inferential statistics in this study included Pearson correlation analysis and regression analysis. The study sought to investigate whether the county government do allocate resources based

on some policy. The respondents were in agreements and disagreements as follows; They agreed that policy makes resources be distributed to areas of greater need, they agreed that county government allocate resources based on resource allocation policy, the respondents agreed that county government employ skilled workers, the respondents were neutral on weather disbursed funds enable the county meets its needs, they were also neutral on whether technological advances supports the county government to implement its strategic goals. The respondents were also neutral as to whether the county government was well-equipped.

There was a disagreement reported by the respondents that the county government had enough funds to implement its strategies. As to whether the county government allocates resources on time, the respondents disagreed that the county governed doesn't allocate resource on time. The respondent's agreements were also sought on where the county government has adequate workers and the response was that they disagreed. The respondents view was also sought on whether there is an influence on allocation of resources and performance and the result was that they agreed that allocation of resources greatly influence the performance of county government.

The relationship between performance of county government and resource allocation was done using Pearson correlation and the result came out that there is a strong and positive relationship between resource allocation and county government performance. The findings are supported by that of (Shergill &Nargundkar, 2005) who also established that cooperate performance depends on resource allocation in diversified firms. The study used regression analysis in determination of association between the performance of Nairobi City County Government and resource allocation. The R-squared was used to

illustrate the variation in between performance of Nairobi City County Government and resource allocation. The R-squared was 0.275 and this meant that 27.5% of performance of Nairobi City County Government could be explained by resource allocation. The study was so general in studying county government as a whole which had different sectors whose management could not be the same. This study will therefore fill this gap by conducting a study in the health sector in the county government referral hospital.

Wanja (2017) conducted a study entitled "Factors Affecting the Performance of WFP-funded Kenyan NGOs: Cases of Action Against Hunger". The study aimed at evaluation on the impact of aid dispersal on the overall performance of the NGO funded by the Kenya International Nutrition Program. The target group were 134 employees who participated in the programs as part of the "Kenya Action for Hunger". Slovin's method was used to determine the length of models from one hundred groups of workers in the target group.

Secondary and primary data were collected and used for analysis. Document analysis guide was used to collect information such as completion cost, estimated time, structural cost and completion time. The study used questionnaire to collect primary data where staff members were asked to indicate their level of agreement with statements relating to the resource allocation such as adequacy of resources, timely release of allocated resources among others.

The findings of the study indicated that projected completion rate was affected by availability of resources with a mean of 4.010. With a mean of 3.358, the respondent agreed that the organizations do specify how resources are allocated. The respondents

were neutral when they were asked on their level of agreement with the statement that the organization are allocated resource promptly with a mean of 3.497. The Neutrality of respondents at a mean of 3.117 was also observed when they were asked to indicate their level of agreement with the statement as to whether the organizational management do release resources in time. There was an agreement at a mean of 3.156 that the resources required for project implementation are easily accessible however, they were neutral when they were told to indicate their level of agreement with the availability of required equipment and tools required to undertake the project work at 3.041. the respondents also agreed that there were resource allocation policies at a mean of 2.322.

The analysis done reviled that resource allocation had a positive and significant influence on the project performance in Non-Governmental organizations funded by World Food Program in Kenya by a correlation coefficient of 0.718 and P-value of 0.000. The study established that resource allocation has positive and significant influence on the performance of projects in Action Against Hunger funded by world food programme in Kenya. These findings are in line with Gillis et al. (2014) argument that resource allocation influences project performance. The study was focused on non-governmental organization whose funding, budgeting, strategies and management are completely different from public institutions specifically the county referral hospitals which this study is going to investigate.

A study entitled the factors influencing implementation of county development funded projects in Kenya in Kiambu County (Kariithi &Mbugua, 2018). The study sought to achieve the following two objects: To establish the influence of project funding on the implementation of County development funded projects in Kiambu County and to

establish the influence of political factors on the implementation of County development funded projects in Kiambu County. A survey research design was used in this study. The target population included all the 12 sub counties in Kiambu County.

Census sampling method was used in the research whereby all elements were used in the sample to increase the statistical accuracy and provide adequate data for analyzing the various categories Kombo and Tromp (2006) primary and secondary data were collected using Questionnaires from the county strategic document for the period of five years. The Data collected was analyzed using descriptive statistics and presented using statistical tools such as mean as a measure of central tendency, frequencies and percentages. The Regression Model was used to estimate the relationship between the dependent and independent variables.

The study sought the degree of agreement or disagreement of various project funding measures adopted by the interviewees in the implementation of County funded projects in Kiambu. the relevant results reviled that all the variables had a standard deviation less than 1.96 meaning that all the variables are normally distributed around their means. This implies that majority of the respondent were almost to the same opinion on the various measures of project funding on implementation of county funded projects in Kiambu.

The majority of the respondents strongly disagreed that proper accountability for the project fund was done. Theis was further indicated by the fact that there was budget deficit that caused delay in disbursement of funds to county government by the treasury hence causing the delay in project completion These findings are in support of Berg and Karlsen (2007) that using too little resources in project slows down its progress and using

too many can result in crowding that reduces productivity and wastes resources that could be used more efficiently by other activities.

Finally, the research pursued to find out the level of agreement or disagreement on the various measures such as timeline of completion, budget variance and the quality of the completed projects of implementation at county development funded projects. The finding reveled that not all projects in the county are completed on time. The findings further revealed that some projects were within the budgets amount while others had deficit figures which delayed their completion. The findings also revealed that some of the implemented projects were of compromised quality. These findings were in agreement with the Apollo and Mwere (2022) which clearly indicated that some counties projects were not to the standard and were of poor quality. This study was so general in studying county government as a whole which had different sectors whose management could not be the same. This study will therefore fill this gap by collecting metric data on resource allocation as a variable.

Kamau (2015) studied Institutional factors influencing implementation of strategic plans n government hospitals in Kitui central sub-county, Kitui county, Kenya. The study had the following objectives; to begin with, to determine the influence of organizational structure on implementation of strategic plans in Government Hospitals in Kitui Central Sub County in addition, to establish the influence of human resource on the implementation of strategic plans in Government Hospitals in Kitui Central Sub County furthermore the study sought to determine the influence of resource adequacy on the implementation of strategic plans in Government Hospitals in Kitui Central Sub County. In conclusion the study also sought to determine the influence of monitoring and

evaluation on implementation of strategic plans in Government hospitals in Kitui Central Sub County. The study adopted descriptive survey research design with a sample size of 76 respondents from a target population of 378 health workers. Data was collected using semi-structured questionnaire and interview guide. The study used chi-square to test the hypothesis, multiple regression analysis in determination of the relationship between dependent and independent variables and Pearson correlation coefficient to determine the strength of the relationship among the variables.

Based on the four objectives of the study, it was established that Majority (97.4%) of the respondents agreed that the organizational structure influences implementation of strategic plans and that there is a significant association between organizational structure and implementation of strategic plans by Government Health facilities. Majority (92.1%) of respondents agreed that human resource influences the implementation of strategic plans in Government Hospitals. That there is a significant association between human resources and implementation of strategic Management plans by Government Health facilities. Majority (97.4%) of the respondents agreed that the resources adequacy influences implementation of strategic plans. That there is a significant association between resources adequacy and implementation of strategic Management plans by Government Health. Majority (90.7%) of the respondents agreed that the Monitoring and evaluation influences implementation of strategic plans. That there is a significant association between Monitoring and evaluation and implementation of strategic plans by Government Health.

That there is a strong positive correlation among all the variables correlated. The regression model shows the Implementation of strategic plan (Y) as a function of

organizational structure, proper utilization of human resource, adequacy of financial resources and monitoring and evaluation.

The study conducted by Kamau (2015) failed to look at strategic plan implementation as a process therefore inconclusive on whether the process is defective or not therefore this study will find out whether the process is implemented in steps as outlined by (Miller, 2020).

Okech (2013) studied Challenges of implementing strategic plans by Private hospitals in Nairobi county. The study had two objectives that guided its findings that is; To establish challenges of strategy implementation by the private hospitals in Nairobi County and to identify how the private hospitals are responding to the strategy implementation challenges. The study adopted a census survey. All registered private hospitals in Nairobi County study population and chief executive officers, hospital directors or administrators of all the hospitals targeted. The study used primary data collected using a semi structured questionnaire. The data collected was analyzed depending on the questionnaire presented to the study population.

The response analyzed indicated that all the 25 hospitals under study had strategic plan with 48% of the hospitals strategic plans having a time frame for three years, 36% of the hospital's strategic plans four years while 16% of the hospitals strategic plans were for over five years. The study indicated that 44% of the respondents rated the adoption of strategic plan process very highly in their hospitals,40% rated high while 4% rated the formulation process as low. Concerning the strategic plan implementation process, it was found out that 36% of the respondents rated very high, 36% thinks implementation rate is

high, 20% of the respondents believe the implementation rate is moderate while 8% thinks implementation is low. Monitoring and evaluation of the strategic process analysis indicated that 44% of the respondents rate the monitoring and evaluation as very high in their hospital, 32% percent thinks its high, 20% believes it is moderate while 4% rate is as low in their hospital.

All the respondents affirmed that there is involvement of all departmental heads in decision making process. From the finding 44% of the respondents said departmental involvement at formulation stage is high while only 4% of the respondents rating it as very low. Departmental involvement at implementation rate was rated at 40% high and 36% very high. Only 4% of the respondents rated it as low. According to the findings, 28% of the respondents said departmental involvement rate during monitoring and evaluation low, 28% also rated it as high, 24% said it was done moderately, 12% rated it as very low and 8% of the respondents said departmental involvement during monitoring and evaluation was done at a very high level.

 The study conducted Okech (2013) failed to find out whether strategic plan was being implemented or not and again it failed to provide a relationship between strategy implementation and the independent variables. This study is going to address this gap by finding out whether there is a relationship between strategy emendation and the financial control. The study was also limited to the private hospitals whose management are different from county referral hospitals.

Ahmed (2017) studied Challenges to implementation of strategic plan in hospitals in Nairobi city county the study had one objective which was to establish the challenges of

strategic plan implementation in public and private hospitals in Nairobi County. Cross-sectional study designs of descriptive nature were utilized in conducting the survey with a census of 58 hospitals in Nairobi County.

Primary data was collected using Structured Questionnaires which had both open and closed-ended questions intended to establish the challenges of strategy implementation in hospitals. Quantitative data were presented in graphs, frequency tables and pie-charts. Measures of central tendencies and dispersion such as mean and standard deviations respectively were also used to present the results. From the finding, respondents indicated that resource insufficiency, organizational culture and commitment affects strategic plan implementation to a great extent. Human resources affect strategic plan implementation. Further respondent pointed that Strategy formulation and Communication affects strategic plan implementation to a great extent

The indicators upon which strategic plan was measured in a study by Ahmed (2017) did not focus on strategic plan's key performance indicators. This study is therefore going to focus on the measuring the key performance indicators of the strategic plan at the NCRH.

2.5 Summary of the study

The study identified budgeting, book keeping and Disburdenment of allocated funds as dependent variables while strategic plan implementation as dependent variable. In an attempt to understand the influence of financial control on strategic plan implementation at the Narok County Referral hospital, Kenya. Three theories (public budgeting, Balance score card and functionalism theories) were employed to explain the relationship between financial controls and strategic plan implementation. The public budgeting model is

explained using its four perspectives: The political perspective; The accountant's perspective and the public manager's perspective. All the four perspectives of budgeting shall be considered because of their contribution to strategic plan implementation with accountant perspective carrying more weight as it addresses the objectives in this study such as book keeping, budgeting and timely disbursement of allocated funds.

This study adopted Balanced Scorecard theory to describe the measure of performance of county referral hospitals in terms of strategic plan implementation and to be precise, the financial perspective of the Balanced Score Card. which in strategic plan implementation in County referral hospital can be measured by cost and time of disbursement of funds. Functionalism is concerned about project structure and its functionality as a system to execute its primary functions. The relation among the parts (budgetary allocation bookkeeping and disbursement of allocated funds): how these parts are functioning positively or negatively impacts on projects.

Literature reviewed on conceptual framework reviles that budgetary participation, the effects of budget feedback, budgetary sophistication and budgetary control, budget making time frame, adherence to budgetary policies, transparency and accountability, Audit trail and control, effective reconciliation and analysis, adequacy of the money allocated are some of the gaps that needs to be filled in this current study.

There's a gap between SMEs, private and large manufacturers, and NGOs (NGOs). NGO management differs from larger public organizations. Other studies examined county government as a whole, which had distinct sectors with different management needs. This study addressed the gap by examining the county referral hospital's health sector.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The study intended to determine the influence of financial control on strategic plan implementation at the Narok County referral hospital in Kenya. The chapter present the methodology that was adopted by the study. The methodology in this study covered introduction, research design to be used, target population for the study, data collection instrument, validity and reliability of the instrument and data analysis.

3.2 Research Design

The study employed descriptive research design. According to Dhar et al. (2021). Descriptive research is defined as a research method that defines the features of the population or phenomenon being studied. Descriptive design focuses more on the "what" of the research subject than the "why" of the research subject. The study aimed at finding the influence of financial control on strategic plan implementation at the Narok County Referral Hospital.

3.4 Target Population

The target population in this study were all 388 employees 30 of whom are heads of department of Narok County referral hospital.

3.5 Sample Frame

The sample frame of the study was HR database which had 388which lists the staff carders and the number available.

3.6 Sampling Technique.

At the Narok County Referral hospital, heads of departments are the ones who are directly involved in the implementation of strategies in terms of budgeting, bookkeeping and disbursement of allocated funds. This study therefore used census sampling technique. According to Creswell & Miller (1997), census sampling technique is used when covering the entire population. This helped to achieve higher degree of accuracy in describing data that was collected. This method also helped in reducing faults in data interpretation (Kothari, 2004; Lewis et al. 2003).

3.7 Sample Size

The sample size of the study were all the 30 heads of departments at the Narok County referral hospital.

3.8 Research Instrument.

Questionnaire was used as a research instrument to collect primary data in this study Oso et al. (2009) define questionnaire as collection of questions in which a respondent is expected to provide answers in written form. A three-point Likert scale questionnaire seeking perception of heads of departments on whether they Agree, Neutral or Disagree with specific statements was used. The statement of the questionnaire covered all the three objectives and the dependent variable of the study.

3.9 Validity and Reliability of Research Instruments
3.9.1 Validity of the Instrument.

This is the accuracy of a conclusion arrived at based on the data collected, analyzed and interpreted. Validity therefore provides the degree of accuracy a test conducted will measure what it is expected to measure. In this study, the validity of the questionnaire

was achieved by designing a questionnaire based on the three objectives of the study. The questionnaire was subjected to pre-testing (Creswell & Miller,2018). The study employed the Kaiser-Meyer-Olkin (KMO) sampling adequacy formula from factor analysis to establish the validity of the questionnaire. KMO is a test conducted to examine the strength of the partial correlation (how the factors explain each other) between the variables. (KMO And Bartlett's Test of Sphericity, 2020). The KMO value for each objective and the dependent variable was obtained and checked. If any value is above 0.4 then the instrument was considered valid for data collection and if any KMO value found to be below 0.4 then adjustment was done to the instrument.

3.9.2 Reliability of Instrument.

Consistency of the data obtained using the data collection instrument is referred to as the reliability. This study determined the reliability of the questionnaire by determining the degree of consistency of results obtained with repeated trials. Reliability was calculated using Cronbach Coefficient Alfa using the order of arrangement of questions in the questionnaire. The Cronbach Coefficient alpha value was obtained for determination of the Reliability. If the value was above 0.7 then the instrument was considered reliable and if the value was below 0.7 then the reliability of the instrument was not be accepted (Fraenkel &Wallen, 2000; Kothari, 2004).

Table 3.1: Reliability Coefficient Index

Items	Cronbach's Alpha	No. of items
All items	.887	41

The questionnaire was considered reliable since the Cronbach' Alpha average for 41 items were greater than 07 (> 0.7).

3.10 Pilot Testing

Kang'ethe et al. (2008) describes pilot testing as critical test carried out using a small sample that is representative to identify possible misunderstanding in the data collection instrument. The questionnaires used in this study were pre-tested. After pretesting, necessary improvements were made on the questionnaires and final questionnaires were used to collect data.

3.11 Data Analysis Procedure.

3.11.1 Data presentation

The data collected was processed through coding, tabulation and carrying out statistical operations using SPSS software. Data analysis was done using descriptive and inferential statistics. Frequencies and percentages were determined in both dependent and independent variables to help in classifying data for making interpretations.

3.11.2 KMO and Bartlett's Tests

The Kaiser- Meyer-Olkin measure of adequacy and Bartlett's test of sphericity were used to test whether the data collected for each variable was actually adequate for factor analysis. KMO is a measurement which indicate the amount of variance in the variables that might be triggered by underlying aspects. According to Awang (2012) & Hoque et al., (2017) the minimum KMO value that is acceptable for factor analysis is ≥ 0.6. Bartlett's test of sphericity tests whether a matrix (of correlations) is significantly different from an identity matrix. The test provides probability that the correlation matrix has significant correlations among at least some of the variables in a dataset, a prerequisite for factor analysis to work. In other words, before starting with factor

analysis, one needs to check whether Bartlett's test of sphericity is significant. According to Revelle (2016) a significant statistics test value that is less than 0.05 (<0.05) should be considered significant.

3.11.3 Factor Analysis

In this Study Factor analysis was used to describe variability among observed correlated variables in terms of a potentially lower number of unobserved variables called factors. The information gained about the interdependencies between observed variables was used in the study to reduce the set of variables in a dataset. This technique is equal to low-rank approximation of the matrix of observed variables. Factor analysis in this study was done using the following steps; Total Variance Explained, the Scree plot, and the rotated component matrix.

a) Total Variance Explained

The Total Variance Explained was important in this study to know the percentage of items that were used to determine the relationship between dependent and independent variables. According to Awang (2012) and Hoque et al. (2017) the minimum cumulative requirement of Total Variance explained is 60%.

b) The Scree Plot

In an exploratory factor analysis (EFA), a scree plot is a plot of eigen values of factors arranged in ascending order of magnitude from left to right side of the plot. The idea is to find out the number of factors that can be retained by identifying the point of inflexion (where the curve flattens) of the factors. The number of factors before the curve flattens represent the significant number of factors to be extracted (Awang (2012); Hoque et al.

(2017). In this study components that have eigenvalues ≥ 1 on the scree plot were considered for extraction.

c) Rotated Component Matrix

The rotated component matrix is the key output of Principal Component Analysis (PCA), or referred to as the loadings. It contains estimates of the correlations between each of the variables and the estimated components. The study used Varimax with Kaiser Normalization. According to Bruin (2020) values ≥ 0.5 is the absolute threshold. The study therefore considered the loadings whose values were ≥ 0.5 and renamed them based on their common characteristics under each component.

3.11.4 Correlation analysis and Hypothesis Testing

According to Schober (2018), Correlation analysis is a statistical evaluation method useful in studying the strength of relationship between two numerically measured variables. In this study, correlation analysis was used to establish if there were possible relations between Dependent variable (strategic plan implementation at the Narok County referral hospital) and independent variables (budgeting, book keeping and disbursement of allocated funds).

A further 2-tailed test was conducted to determine the level of significance at 0.01 and 0.05. If the *p*-value is smaller than the significance level ($\alpha=0.05$) the null hypothesis was rejected and alternative hypothesis was accepted and we conclude that the correlation is statistically significant. If *p*-value was bigger than the significance level ($\alpha=0.05$) we fail to accept the null hypothesis and we conclude that the correlation is not statistically significant.

CHAPTER FOUR
RESEARCH FINDINGS AND DISCUSSIONS

4.1 Introduction

This chapter presents the findings of the study and their discussions. The results of the study are presented and discussed based on specific research objectives. The chapter is organized as follows: The introduction, Questionnaires response rate, how budgeting influence strategic plan implementation at the Narok County Referral hospital, how bookkeeping influence strategic plan implementation at the Narok County Referral hospital, how disbursement of allocated funds influences of on strategic plan implementation at the Narok County Referral hospital and finally ends up with strategic plan implementation.

4.2 Response Rate

A total of 30 questionnaires were distributed to heads of departments and units at the Narok County Referral hospital. The researcher collected back all the questionnaires that were used for data analysis as show in table 4.1.

Table.4.1: Questionnaire Return Rate

Category of Respondents	Questionnaires issued	Questionnaires Returned	Return rate
All heads of departments and Units	30	30	100%

The results on the response rate indicates that all questionnaires were returned translating to 100% return rate which is considered excellent (Cleave, 2022). All the 30 questionnaires were used for analysis.

4.3. Descriptive Statistics for the parameters of Financial Control and strategic plan implementation at the Narok County Referral Hospital.

4.3.1 Implementation of strategic plan at the Narok County referral hospital

The study also sought to examine the performance indicators of strategic plan implementation at the Narok County Referral Hospital. The results are presented in Table 4.2.

Table 4.2 Descriptive statistics on strategic plan implementation

Statements	Low (0-49%)	Medium (50-69%)	High (70-100%)
Completion rate in construction of physical facilities	13(43.3)	16(53.3)	1(3.3)
Completion rate of installation of medical equipment at the NCRH	11(36.7)	14(46.7)	5(16.7)
Availability of drugs prescribed in the hospital pharmacy at all times	9(30.0)	19(63.3)	2(6.7)
Stocking of specialized units with specialized commodities.	10(33.3)	19(63.3)	1(3.3)
Conducting routine training of health workers.	11(36.7)	17(56.7)	2(6.7)
Availability of all health specialists at the NCRH.	12(40.0)	16(53.3)	26(.7)
Availability of emergency services e.g., ambulance	11(36.7)	11(36.7)	8(26.7)

From table4.2, the study sought the respondent's perception on the completion rate on construction of physical facilities. The majority of respondents 16(53.3%) indicated that completion rate of physical facilities is at medium while 13(43.3%) rated completion rate to be low while 1(3.3%) believed that completion rate to is high. On completion rate of installation of medical equipment at the NCRH, a majority of respondents 14(46.7%) rated this as medium and 11(36.7%) as low while 5(16.7%) as high.

On the availability of drugs prescribed in the hospital pharmacy at all times, a majority 19(63.3%) believed it is at medium and 9(30.0%) rated it to be low while only 2(6.7%) rated it to be high. The opinion of respondents was sought on the rate of stocking

specialized units with commodities. 19(63.3%) said medium and 10(33.3%) said low while 1(3.3%) said high. On conducting routine raining of health workers, a majority said its high at 17(56.7%) and low at 11(36.7%) while high at 2(6.7%)

The respondents when asked to rate the availability of all health specialists at the NCRH indicated that it was medium at 16(53.3%) and low at 12(40.0%) while high at 2(6.7%) Finally, the respondents rating on availability of emergency services e.g., ambulance indicated to be medium at 11(36.7%) and low at 11(36.7%) while high at 8(26.7%). From the evaluation of performance indicators as per Table 4.2, it is clear that the strategic plan implementation at the Narok County Referral Hospital is moderate at 53.33% ranging between 50-69%. This could be affected by budgeting, Book keeping and disbarments of allocated funds.

4.3.2 Influence of budgeting on strategic plan implementation at the Narok County referral hospital

The first objective of the study sought to determine influence of budgeting on strategic plan implementation at the Narok County Referral Hospital. The respondent's perception was measured using a three-point Likert scale as to whether they Agreed, Neutral or Disagree with the given statements on budgeting. The descriptive results were calculated and presented in Table 4.3.

Table 4.3: Descriptive statistics on budgeting

Questions	Disagree	Neutral	Agree
My input is sought when preparing budget.	19(63.3)	5(16.7)	62(0.0)
My proposals for budget alteration are taken seriously	27(90.0)	2(6.7)	13(.3)
I use a software for developing budget	279(0.0)	1(3.3)	2(6.7)
I easily get data for previous year's budget when am preparing budget for the new financial year.	25(83.3)	26(.7)	3(10.0)
I am involved in budget follow ups	26(86.7)	1(3.3)	3(10.0)
I am informed of departmental adjustments and changes in the periodic budget reports as a feedback mechanism.	258(3.3)	1(3.3)	4(13.3)
There are clear communication channels about budget performance.	24(80.0)	1(3.3)	5(16.7)
Budget goals are clear and well understood	27(90.0)	0(0.0)	3(10.0)
I use NCRH budget guideline when preparing budget	2376.7)	310.0)	413.3)
NCRH budget has clear performance indicators that are measurable.	25(83.3)	2(6.7)	3(10.0)
The differences between budget and actual results in my department are analyzed periodically.	24(80.0)	1(3.3)	5(16.7)
The management always takes action on variance between the budget and actual results.	21(70.0)	4(13.3)	5(16.7)
Budget performance evaluation reports are prepared periodically and shared with me.	21(70.0)	5(16.7)	4(13.3)

From Table 4.3, majority of Narok County Referral Hospital Heads of departments inputs are not sought when preparing budget at 19(63.3%) with only 6(20.00%) agreeing that their input is sought when preparing budget. 6(16.7%) of the Heads of Departments and Units were neutral. As to whether the proposals the proposals of Heads of Departments and Units for budget alterations are taken seriously, 27(90.0%) of the respondents were on disagreement while only 1(3.3%) respondent was in agreement and 2(6.7%) remained neutral. These findings are in agreement with Zonatto (2020) that budgetary participation directly and positively affected managerial attitudes, satisfaction and performance. This means that at the NCRH inadequate involvement of heads of departments and units resulted to inadequate strategic plan implementation.

The research sought the perception of respondents on their ability to get data for previous year's budget when preparing budget for the new financial year. The results indicated that 27(90.0%) of the respondents disagreed with only 2(6.7%) agreeing while 1(3.3%) remained neutral. The perception of respondents on whether they use software when developing budget, the result indicated that majority 27(90.0%) disagreed with only 2(6.7%) agreeing while 1(3.3%) remained neutral. The findings are in agreement with Qi (2010) that highly sophisticated budgeting results in higher profit low sophisticated budget. At the NCRH the use of low sophisticated budget is affecting strategic plan implementation to a medium level.

As to whether the respondents are involved in budget follow ups, a majority of respondents 26(86.7%) were in disagreement with only 3(10.0%) agreeing while 1(3.3%) remained neutral. Seeking the perception of respondents on whether they get periodic feedback on departmental budget adjustments, a majority 24(80.0%) were in disagreement and 4(13.3%) agreed while 1(3.3%) remaining neutral. A majority of respondents 24(80.0%) disagreed that there are clear communication channels about budget performance with 5(16.7%) of respondents agreeing while 1(3.3) remained neutral. These findings with Koech (2015) that involvement of managers/ departmental heads in budget follow-ups and communicating budget feedback positively affected financial performance in manufacturing industries in Kenya. This therefore means strategic plan implementation at the NCRH is at medium performance because not all heads of departments/Units are involved in budget follow-ups and that majority of them are not given budget feedback to take timely corrective actions.

The opinion of respondents was sought on clarity and understanding of budget goals. A majority 27(76.7%) disagreed that budget goals are clear and well understood with only 3(10.0%) agreeing that budget goals are clear and they are understood. As to whether the respondents are using budget guideline when preparing budget at the NCRH, 23(76.7%) of the respondents disagreed with only 4(13.3%) of respondents agreeing while 3(10.0%) remained neutral. These findings are in agreement with Qi (2010) that availability of clear budget goals and budget guidelines positively affects performance in profits. At the NCRH, majority of Heads of Departments/Units said that budget goals are not clear and that they don't use budget guidelines when preparing budget. This is therefore affecting strategic plan implementation level at the NCRH.

The study sought the perception of respondents on whether NCRH budget has clear performance indicators and that they are measurable. A majority 25(83.3%) disagreed with only 3(10.0%) agreeing with the statement while 2(6.7) remaining neutral. On whether the difference between budget and actual results in respondents' departments are analyzed periodically, 24(80.0%) disagreed with only 5(16.7%) agreeing while 1(13.3%) remained neutral. These findings are in agreement with Koech (2015) that companies whose budget had clear performance indicators had higher financial performance as opposed to those that did not have clear budget performance indicators. At the NCRH the strategic plan implementation is moderate because the budget lacks clear performance indicators that difference between budget and actual results are not analyzed periodically. The study also sought to determine whether management always takes action on variance between the budget and actual results. Majority of respondents 21(70.0%) disagreed with

only 5(16.7%) respondents agreeing while 4(3.3%) respondents remained neutral. Finally, the respondent's perceptions were sought on whether budget performance evaluation reports are shared periodically with them. 21(70.0%) disagreed with only 4(13.3%) agreeing while 5(16.7) remaining neutral. These findings agree with that of Koech (2015) that reporting budget deviations and taking timely corrective actions contribute to better financial performance of manufacturing companies in Kenya. Because management doesn't always act on difference between budget and actual results, NCRH strategic plan execution is low.

4.3.3 Influence of book keeping on strategic plan implementation at the Narok County referral hospital

The second objective sought to determine the influence of bookkeeping on strategic plan implementation at the Narok County referral Hospital. The respondents   perceptions were sought to show their Disagreement, Neutrality and Agreement with various questions related to bookkeeping. Descriptive statistics were   analyzed and presented in Table 4.4.

Table 4.4: Descriptive statistics on book keeping

Questions	Disagree	Neutral	Agree
Bookkeeping helps in transparency and accountability of funds.	17(56.7)	4(13.3)	9(30.0)
Bookkeeping enhances audit trail and control.	20(66.7)	6(20.0)	4(13.3)
Bookkeeping helps in carrying effective reconciliation and analysis.	20(66.7)	5(16.7)	5(16.7)
NCRH has well established bookkeeping	25(83.3)	2(6.7)	3(10.0)
NCRH updates its accounting records regularly	22(73.3)	2(6.7)	6(20.0)
NCRH prepares its financial reports timely	22(73.3)	5(16.7)	3(10.0)
NCRH financial statements give accurate report	24(80.0)	4(13.3)	2(6.7)
Information from bookkeeping help to manage cost and expenses.	17(56.7)	8(26.7)	5(16.7)
Information from Bookkeeping enable NCRH to take control measures to improve strategy implementation	18(60.0)	6(20.0)	6(20.0)
Bookkeeping analysis highlight NCRH's strengths and shortcomings.	18(60.0)	4(13.3)	8(26.7)
Bookkeeping analysis report improves strategic plan implementation	18(60.0)	5(16.7)	7(23.3)

Results presented in Table 4.4 indicates that a majority of respondents 17(56.70 %) disagreed that bookkeeping at the NCRH helps them achieve transparency and accountability of funds, with only 9(30.0%) agreeing, while 4(13.3%) disagreeing that that bookkeeping at the NCRH helps them achieve transparency and accountability of funds. As to whether bookkeeping has made it easy for the respondents to carry out audit trail and audit control, the respondents responded as follows; 20(66.7%) Disagreed, 4(13.3%) Agreed and 6(20.0%) Neutral. The respondent's perceptions were sought on whether bookkeeping at NCRH helps them to carry effective reconciliation analysis and the results were as follows; Majority 20(66.7%) disagreed, with only 5(16.7%) agreeing while 5(16.7%) remained neutral. These findings concur to Karani (2016) that financial records help in unraveling and unearthing of organizational malpractices on financial management and that it further reviles how funds budgeted are used and accounted for. This means that if that there is no adequate accountability and transparency, there is also inadequate proper book keeping and therefore inadequate analysis and reconciliation and thereby affecting strategic plan implementation at the NCRH.

As to whether there is a well-established bookkeeping at the NCRH, the respondent's perception was as follows; 25(83.3%) disagreed with only 3(10.0%) agreeing while 2(6.7%) remaining neutral. The study also sought the opinion of respondents on whether NCRH updates its accounting records regularly and the results indicated that 22(73.3%) disagreed with only 6(20.0%) agreeing while 2(607%) remained neutral as to whether the NCRH prepares its financial reports timely, the results indicated that a majority 22(73.3%) disagreed with only 3(10.0%) agreeing while 5(16.7%) respondents remaining neutral. On whether the NCRH financial statements gives accurate reports, the

respondents perception indicated that 24(80.0%) disagreed with only 2(6.7%) agreeing with the statement while 4(13.3%) remined neutral. These findings are in agreement with Gathuru (2017) that book keeping skills is important for effective financial control in the community support fund. This means that book keeping is given little attention at the NCRH and therefore affecting strategic plan implementation.

The study sought pinion of respondents on whether information on bookkeeping helps NCRH to manage cost and expenses and the majority of respondents disagreed at 17(56.7%) and agreed at 5(16.7%) while 8(26.7%) remained neutral. Further the respondents were asked to indicate their opinion whether information on bookkeeping enable NCRH to take control measures to improve strategy implementation and the majority of respondents 18(60.0%) disagreeing while 6(20.0%) agreeing and another 6(20.0%) respondents remaining neutral. The respondents were asked to indicate their perception on whether bookkeeping analysis highlights NCRH strengths and shortcomings. The majority of respondents disagreed at 18(60.0%) and agreed with the statements at 8(26.7%) while 4(13.3%) remained neutral. Finally, as to whether NCRH uses bookkeeping analysis report for strategic plan implementation improvement, the majority of respondents disagreed by 18(60.0%) and agreed at 7(23.3%) while 5(16.7%) remained neutral. These findings are in agreement with Musah (2017) accurate record keeping helps in making essential decision and business adjustments accurately, thereby reducing operating costs and improved efficiency and productivity. At the NCRH it means that less attention is put on the management of book keeping therefore affecting strategic plan implementation at the NCRH.

4.3.4 Influence of disbursement of allocated funds on strategic plan implementation at the Narok County referral hospital

The third objective of the study sought to investigate the influence of disbursement of allocated funds on strategic plan implementation at the NCRH. The respondent's opinions were sought to show their disagreements, neutral and agreement with given statements on disbursement of allocated funds. The descriptive statistics were calculated and presented in the Table 4.5

Table 4.5: Descriptive statistics on disbursement of allocated funds

	Disagree	Neutral	Agree
The money disbursed for the projects are adequate	21(70.0)	5(16.7)	4(13.3)
All finances are disbursed at the right time	23(76.7)	3(10.0)	4(13.3)
All finances disbursed are utilized for the intended purposes	23(76.7)	3(10.0)	4(13.3)
NCRH has adequate financial resources	25(83.3)	1(3.3)	4(13.3)
The funds disbursed at NCRH are easily accessible	21(70.0)	5(16.7)	4(13.3)
The NCRH management releases funds for us on time	21(70.0)	6(20.0)	3(10.0)
Funds in NCRH are disbursed based on priority	24(80.0)	2(6.7)	4(13.3)
NCRH has a policy on funds allocation	20(66.7)	4(13.3)	6(20.0)
NCRH follows all resource allocation policies	217(0.0)	6(20.0)	3(10.0)
Resource allocation is based on the policy	175(6.7)	5(16.7)	8(26.7)

Results in Table 4.5 indicate that majority of respondents 21(70.0%) disagreed that money disbursed for the projects were adequate with only 4(13.3%) being in agreement while 5(16.7) remained neutral. Also, on a statement that all finances are disbursed at the right time, majority of the respondents 23(76.7%) disagreed, 4(13.3%) agreed while 3(10.0%) remained neutral. The study also sought respondent's perception whether NCRH has adequate financial resources, a majority of respondents 25(83.3%) disagreed with only 4(13.3%) agreeing while 1(3.3%) remained neutral. These findings concur with Kimencu (2020) that resource allocation has a positive and significant influence on

performance of the county governments. This means that with low attention given to resource allocation in terms of adequacy, time and availability of financial resources is therefore affecting strategic plan implementation at the NCRH.

Similarly, the study posed a statement to respondents that all finances disbursed are utilized for intended purposes. The majority of respondents 23(76.7%) disagreed and 4(13.3%) agreeing while 3(10.0%) remained neutral. Th e perceptions of respondents were again sought to find out whether it is easy to access disbursed funds. Majority of respondents 21(70.0%) disagreed and 4(13.3%) agreed while 5(16.7%) remained neutral. As to whether NCRH releases funds to respondents on time, a majority 21(70.0%) disagreed and 3(10.0%) agreeing while 6(20.0%) remained neutral. On the statement that NCRH has a policy on funds allocation, majority of respondents 20(66.7%) disagreed with only 6(20.0%) agreeing while 4(13.3%) remained neutral. These findings are in agreement with Kariithi (2018) that factors such as utilization of disbursement of funds for their intended purposes, accessibility of disbursed funds and timely release of disbursed funds has a positive and statistically significant effect on the implementation of County development funded projects. This is also true to NCRH that they have given less attention to these factors therefore affecting strategic plan implementation

Respondents were again subjected to a statement that funds in NCRH are disbursed based on priority. The majority 24(80.0%) disagreed and 4(13.3%) agreed while 2(60.7%) remained neutral. The responded opinions were also sought with the statement that NCRH follows all resource allocation policies. The respondent's majority 21(70.0%) disagreed with only 3(10.0%) agreeing while 6(20.0%) remained neutral. Similarly, on the statement that NCRH allocates resources based on resource allocation policy,

majority 17(56.7%) disagreed and 8(26.7%) agreeing while 5(16.7%) remained neutral. These findings are in agreement with Wanja (2017) that disbursement of funds based on priority, availability of policy on funds allocation and adherence to it, had a positive and significant influence on the performance of projects in non-governmental organizations funded by World Food Programme in Kenya. This is also true to NCRH as from the results it indicates that not much attention is given to these factors therefore resulting to low strategic plan implementation at the Narok County Referral Hospital.

4.4 Factor analysis

The study employed factor analysis to allow for the examination of interrelationships among the variables in terms of their common underlying dimensions. When some variables correlate highly to each other, this suggest that these variables could be measuring characteristics of the same underlying dimensions. The underlying dimensions are called factors. When a data set is reduced from a group of interrelated variables to a smaller number of factors, parsimony is achieved with the use of the smallest number of explanatory constructs (Field, 2009).

The Principal Component Analysis (PCA) method was selected to extract factors and the correlation matrix was used as input. The number of factors to be extracted was decided by including only those factors with eigen values greater than 1 (Hair et al.,2010). To meet the analytical purpose, four criteria were examined: (1) variance explained by each factor, (2) total variance explained by the factor model, (3) factor loadings, and (4) communalities (Hair et al. 2010).

4.4.1 Factor analysis on influence of budgeting on strategic plan implementation at the Narok County referral hospital.

The extraction method used in the SPSS was Principal Component Analysis (PCA). Rotation method used was Varimax with Kaiser Normalization and a rotation converged in 11 iterations. An examination of the Kaiser-Meyer Olkin measure of sampling adequacy suggested that the sample was factorable $P<0.001$ (Chi-Square=178.165, $P<0.001$) and the KMO value being > 0.6 as shown in table 4.6(a)

Table 4.6 (a): KMO and Bartlett's Test on budgeting

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.714
Bartlett's Test of Sphericity	Approx. Chi-Square	178.165
	df	78
	Sig.	.000

The total variance explained was important for the study to know what percentage of items were used to measure the study on budgeting. "Table 4.6(b) shows total value of variance estimated by the items used to measure budgeting". The reading on the table 4.6(b) shows that influence on budgeting measured using 13 items in 4 components can be measured at 69.909%. This value was sufficient because it exceeded the minimum requirement of 60%.

Table 4.6(b): Total Variance Explained table on budgeting

Total Variance Explained						
Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.844	37.264	37.264	3.146	24.201	24.201
2	1.562	12.012	49.276	2.887	22.208	46.410
3	1.486	11.427	60.703	1.571	12.081	58.491
4	1.197	9.206	69.909	1.484	11.419	69.909
5	.974	7.492	77.402			
6	.706	5.428	82.829			
7	.589	4.533	87.362			
8	.553	4.251	91.613			
9	.463	3.564	95.177			
10	.270	2.075	97.252			
11	.165	1.267	98.520			
12	.107	.823	99.342			
13	.086	.658	100.000			

The scree plot was important for the study to determine the number of components to keep in Principal Component Analysis (PCA).   Table 4.6(c) shows that 4 components can be retained as the curve starts inflexing at component number 4. The components are sufficient because all their eigen values are above 1

Table 4.6(c): Scree plot of eigen values on budgeting

Scree Plot

[A scree plot is described by the following: Eigenvalue on the y-axis ranging from 0 to 5, Component Number on the x-axis ranging from 1 to 13. The plotted values decline sharply: Component 1 ≈ 4.85, Component 2 ≈ 1.6, Component 3 ≈ 1.5, Component 4 ≈ 1.2, Component 5 ≈ 1.0, Component 6 ≈ 0.7, Component 7 ≈ 0.6, Component 8 ≈ 0.55, Component 9 ≈ 0.5, Component 10 ≈ 0.3, Component 11 ≈ 0.15, Component 12 ≈ 0.1, Component 13 ≈ 0.1]

The findings from table 4.6(b) shows the construction of role budgeting measured by four components thereby allowing the study to determine the items chosen to measure the components. Table 4.6(d) shows the distribution of items received to measure the construct on budgeting. All items that had a factor loading exceeding the minimum limit of 0.5 are highlighted in table 4.6(d). These components were grouped together in their respective components and renamed as new factors.

Table 4.6(d): Rotated component matrix table on budgeting

Rotated Component Matrixᵃ				
	Component			
	1	2	3	4
My input is sought when preparing budget.	.080	.107	.151	.839
My proposals for budget alteration are taken seriously	.522	.336	.053	.555
I use a software for developing budget	.858	.121	.161	.031
I easily get data for previous year's budget when am preparing budget for the new financial year.	.571	.618	-.248	-.245
I am involved in budget follow ups	.016	.597	.470	-.154
I am informed of departmental adjustments and changes in the periodic budget reports as a feedback mechanism.	.066	.622	.384	.039
There are clear communication channels about budget performance.	.204	.757	-.168	.210
Budget goals are clear and well understood	.079	.791	.111	.275
I use NCRH budget guideline when preparing budget	.617	.626	-.076	.071
NCRH budget has clear performance indicators that are measurable.	.655	.146	.548	-.123
The differences between budget and actual results in my department are analyzed periodically.	.735	.047	-.149	.400
The management always takes action on variance between the budget and actual results.	.623	.086	.152	.119
Budget performance evaluation reports are prepared periodically and shared with me.	.118	-.001	.835	.270
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.				
a. Rotation converged in 11 iterations.				

Renaming of components on budgeting

The seven items leaded on to factor 1. It is clear from the table that these seven items all

relate to formal budgeting. This factor loads onto:

i.   *My proposals for budget alteration are taken seriously,*

ii.   *I use a software for developing budget,*

iii. *I easily get data for previous year's budget when am preparing budget for the*
      new financial year,

iv.   *I use NCRH budget guideline when preparing budget,*

v.   *NCRH budget has clear performance indicators that are measurable,*

73

vi.   *The differences between budget and actual results in my department are analyzed periodically and finally*

vii.   *The management always takes action on variance between the budget and actual results.*

This factor was therefore labelled **"Formal Budgeting".**

The six items loaded on to the second factor are related to communication. Reported perceptions on communication of various aspects in budgeting including:

i.   *I easily get data for previous year's budget when am preparing budget for the new financial year,*

ii.   *I am involved in budget follow ups,*

iii.   *I am informed of departmental adjustments and changes in the periodic budget reports as a feedback mechanism,*

iv.   *There are clear communication channels about budget performance*

v.   *Budget goals are clear and well understood.*

vi.   *I use NCRH budget guideline when preparing budget*

This component was therefore labelled "**Budgetary communication".**

The two items loaded into the third factor relates to monitoring and evaluation. The factors reported perception monitoring and evaluation of respondents included:

i.   *NCRH budget has clear performance indicators that are measurable and*

ii.   *Budget performance evaluation reports are prepared periodically and shared with me.*

These factors were therefore labelled as **"Budgetary monitoring and evaluation".**

The two items loaded in factor four related to involvements or participation of people. The factors reported the perception of respondents on their involvement in budget making process including:

i. *My input is sought when preparing budget and also*

ii. *My proposals for budget alteration are taken seriously*.

These factors were therefore labelled **"Budgetary participation."**

4.4.2 Factor analysis on influence of book keeping on strategic plan implementation at the Narok County referral hospital.

The extraction method used in the SPSS was Principal Component Analysis (PCA). Rotation method used was Varimax with Kaiser Normalization and a rotation converged in 7 iterations. An examination of the Kaiser-Meyer Olkin measure of sampling adequacy suggested that the sample was factorable P<0.001 (Chi-Square=110.388, P<0.001) and the KMO value being > 0.6 as shown in table 4.7(a)

Table 4.7(a): KMO and Bartlett's Test on book keeping

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.705
Bartlett's Test of Sphericity	Approx. Chi-Square	110.388
	df	55
	Sig.	.000

The total variance explained was important for the study to know what percentage of items were used to measure the study on book keeping. Table 4.7(b) shows total value of variance estimated by the items used to measure book keeping. The reading on the table 4.7(b) shows that influence of book keeping measured using 11 items in 3 components

can be measured at 63.251%. This value was sufficient because it exceeded the minimum

requirement of 60%

Table 4.7(b): Total variance Explained on Book Keeping

Total variance explained						
Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.081	37.099	37.099	2.587	23.516	23.516
2	1.708	15.531	52.631	2.306	20.968	44.483
3	1.168	10.620	63.251	2.064	18.768	63.251
4	.943	8.572	71.823			
5	.857	7.794	79.617			
6	.557	5.063	84.679			
7	.484	4.398	89.078			
8	.432	3.923	93.000			
9	.373	3.389	96.389			
10	.226	2.050	98.440			
11	.172	1.560	100.000			
Extraction Method: principal component analysis.						

The scree plot was important for the study to determine the number of components to

keep in PCA. Table 4.7(c) shows that 3 components can be retained as the curve starts

inflexing at component number 3. The components are sufficient because all their eigen

values are above 1

Table 4.7(c): Scree plot of eigen values on book keeping
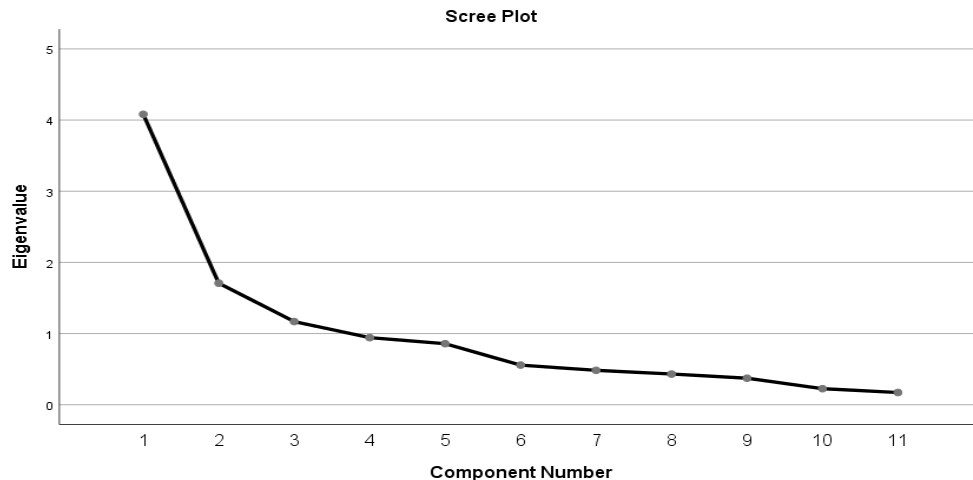
The findings from table 4.7(b) shows the construction of role book keeping measured by three components thereby allowing the study to know the items chosen to measure the components. Table 4.7(d) shows the distribution of items received to measure the construct on book keeping. All items that have a factor loading exceeding the minimum limit of 0.5 are highlighted in table 4.7(d). These components were grouped together in their respective components and renamed as new factors.

Table 4.7(d): Rotated component matrix table on book keeping

Rotated Component Matrix^a			
	Component		
	1	2	3
Bookkeeping at NCRH helps me achieve transparency and accountability of funds.	.161	.814	-.048
Bookkeeping at NCRH has made it easy for audit trail and control.	.133	.744	.105
Bookkeeping at NCRH helps us to carry out effective reconciliation and analysis.	.079	.645	.434
NCRH has well established bookkeeping	.813	.335	.099
NCRH updates its accounting records regularly	.833	.067	.096
NCRH prepares its financial reports timely	.546	-.093	.557
NCRH financial statements give accurate report	.816	.178	.196
Information from bookkeeping help NCRH to manage cost and expenses.	.216	.600	.539
Information from Bookkeeping enable NCRH to take control measures to improve strategy implementation	.226	.141	.464
Bookkeeping analysis highlight NCRH's strengths and shortcomings.	.221	.017	.769
NCRH use bookkeeping analysis report for strategic plan implementation improvement.	-.268	.371	.630
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.			
a. Rotation converged in 7 iterations.			

Renaming of components on book keeping

The four items loaded in factor 1. It is clear from the table that the three items are all related to accuracy. The four items help in understanding the perception of respondents on the level of how book keeping helps in getting accurate accounting information, given

that the relationship between Accounting and book keeping is the financial data that originates from book Keeping. The items included:

  i.   *NCRH has well established bookkeeping,*

  ii.   *NCRH updates its accounting records regularly,*

  iii. *NCRH prepares its financial reports timely and*

  iv.   *NCRH financial statements give accurate report.*

The four items were therefore labelled as **"Accuracy in Book Keeping"**

The four items in factor two are related to being transparent and accountable. The four items helped in understanding the perception of respondents in accountability and transparency as far as book keeping is concerned. The factors included:

  i.   *Bookkeeping at NCRH helps me achieve transparency and accountability of funds,*

  ii.   *Bookkeeping at NCRH has made it easy for audit trail and control,*

  iii. *Bookkeeping at NCRH helps us to carry out effective reconciliation and analysis and finally,*

  iv.   *Information from bookkeeping help NCRH to manage cost and expenses*.

The four factors were therefore labelled as **"Transparency and accountability".**

The four items that loads in factor three are about analysis. These factors helped in understanding the perception of respondents on whether data entered in book keeping is analyzed. The factors included:

  i.   *NCRH prepares its financial reports timely,*

  ii.   *Information from bookkeeping help NCRH to manage cost and expenses,*

iii.   *Bookkeeping analysis highlight NCRH's strengths and shortcomings and finally*

iv.   *NCRH use bookkeeping analysis report for strategic plan implementation improvement.*

The four factors were therefore labelled as **"Book Keeping analysis"**

4.4.3 Factor analysis on disbursement of allocated funds on strategic plan implementation at the Narok County referral hospital.

The extraction method used in the SPSS was Principal Component Analysis (PCA). Rotation method used was Varimax with Kaiser Normalization and a rotation converged in 7 iterations.   An examination of the Kaiser-Meyer Olkin measure of sampling adequacy suggested that the sample was factorable $P<0.001$ (Chi-Square=72.654, $P<0.001$) and the KMO value being > 0.6 as shown in table 4.8(a)

Table 4.8(a): KMO and Bartlett's Test on disbursement of allocated funds.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.731
Bartlett's Test of Sphericity	Approx. Chi-Square	72.654
	df	45
	Sig.	.006

The total variance explained was important for the study to know what percentage of items were used to measure the study on disbursement of allocated funds. Table 4.8(b) shows total value of variance estimated by the items used to measure book keeping. The reading on the table 4.8(b) shows that influence of disbursement of allocated funds measured using 10 items in 5 components can be measured at 77.940%. This value was sufficient because it exceeded the minimum requirement of 60%

Table 4.8(b): Total variance explained on disbursement of allocated funds

Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.592	25.922	25.922	2.038	20.382	20.382
2	1.539	15.392	41.313	1.599	15.992	36.374
3	1.362	13.625	54.938	1.394	13.945	50.318
4	1.195	11.953	66.891	1.384	13.844	64.163
5	1.105	11.049	77.940	1.378	13.777	77.940
6	.684	6.843	84.783			
7	.575	5.750	90.532			
8	.504	5.045	95.577			
9	.327	3.273	98.850			
10	.115	1.150	100.000			
Extraction Method: principal component analysis.						

The scree plot was important for the study to determine the number of components to keep in PCA. Table 4.8(c) shows that 5 components can be retained as the curve starts inflexing at component number 5. The components are sufficient because all their eigen values are above 1

Table 4.8(c): Scree plot of eigen values on disbursement of allocated funds
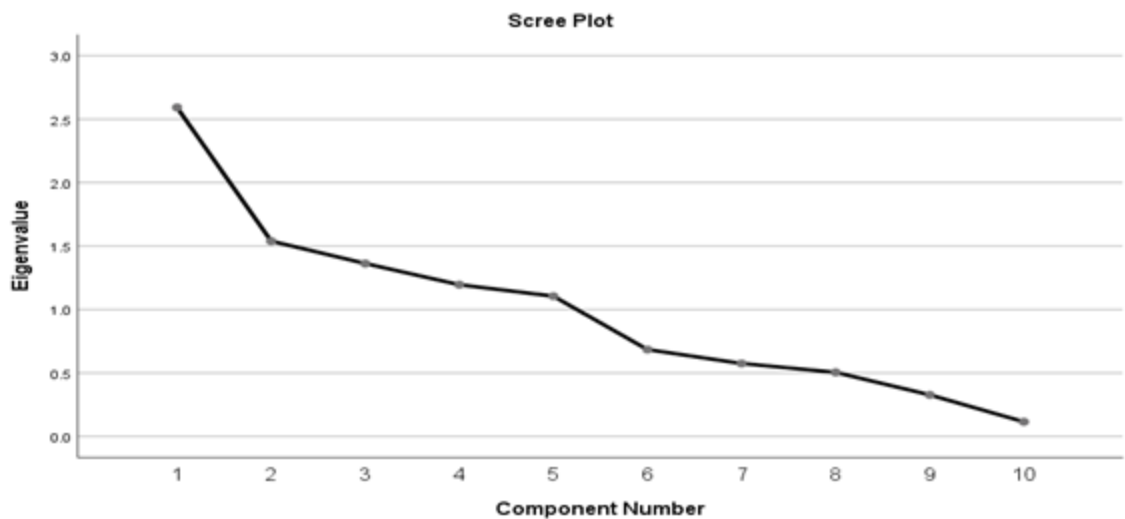
The findings from table 4.8(b) shows the construction of role disbursement of allocated funds measured by five components thereby allowing the study to know the items chosen to measure the components. Table 4.8(d) shows the distribution of items received to measure the construct on book keeping. All items that have a factor loading exceeding the minimum limit of 0.5 are highlighted in table 4.8(d). These components were grouped together in their respective components and renamed as new factors.

Table 4.8(d): Rotated Factor Matrix on Disbursement of Allocated Funds

Rotated Component Matrix[a]					
	Component				
	1	2	3	4	5
The money disbursed for the projects are adequate	.180	-.374	-.481	.637	.314
All finances are disbursed at the right time	-.062	.844	-.084	-.081	.150
All finances disbursed are utilized for the intended purposes	.397	.578	.018	.234	-.349
NCRH has adequate financial resources	-.092	.079	.211	.908	-.083
The funds disbursed at NCRH are easily accessible	.083	-.121	.875	.127	.195
The NCRH management releases funds for us on time	.904	-.109	.081	.096	-.131
Funds in NCRH are disbursed based on priority	.578	.266	.519	.040	-.202
NCRH has a policy on funds allocation	.457	.515	.236	-.056	.329
NCRH follows all resource allocation policies	.684	.190	-.066	-.249	.341
The NCRH allocates resource based on resource allocation policy	-.012	.095	.097	.020	.898
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.					
a. Rotation converged in 12 iterations.					

Renaming of components on Disbursement of Allocated Funds

The three items loaded on component 1. It is clear from the table that these three items are all related to timely disbarment of funds. These factors are loading onto the

perception of respondents on timely disbursement of funds at the Narok County Referral hospital. The factors loaded include:

i. *The NCRH management releases funds for us on time,*

ii. *Funds in NCRH are disbursed based on priority,*

iii. *NCRH follows all resource allocation policies*

These factors were therefore labeled as **"Timely disbursement of Funds".**

The three items that loads into Component 2 are all related to adherence to disbursement policy. These factors are loading onto perception of respondents on the adherence to disbursement policy at the Narok County Referral hospital. The factors loaded include:

i. *All finances are disbursed at the right time,*

ii. *all finances disbursed are utilized for the intended purposes and finally,*

iii. *NCRH has a policy on funds allocation.*

These factors were therefore labeled as **"Adherence to disbursement policy".**

The last two items loaded in component 3 are all related to availability of funds. These factors are loading onto the respondent's perception on the availability of funds at the NCRH. The factors loaded include:

i. *The funds disbursed at NCRH are easily accessible and that*

ii. *Funds in NCRH are disbursed based on priority.*

These factors were therefore labelled as **"Availability of funds".**

The two items loaded in component 4 are all related to adequacy of funds. These factors are loading onto the respondent's perception on the adequacy of funds at the NCRH. The factors loaded include:

i.   *The money disbursed for the projects are adequate and also,*

ii. *NCRH has adequate financial resources.*

These factors were therefore labelled as **"Adequacy of funds".**

There is only one factor loaded in component 5. The factor sought understand the perception of respondents on the availability of the allocation policy. The statement was *The NCRH allocates resource based on resource allocation policy.*

The factor was therefore labelled as **"Availability of allocation policy".**

4.4.4 Factor analysis on strategic plan implementation at the Narok County referral hospital.

The extraction method used in the SPSS was Principal Component Analysis (PCA). Rotation method used was Varimax with Kaiser Normalization and a rotation converged in 5 iterations. An examination of the Kaiser-Meyer Olkin measure of sampling adequacy suggested that the sample was factorable $P<0.001$ (Chi-Square=45.730 $P<0.001$) and the KMO value being > 0.6 as shown in table 4.9(a)

Table 4.9(a): KMO and Bartlett's Test on strategic plan implementation at the Narok County referral hospital.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.652
Bartlett's Test of Sphericity	Approx. Chi-Square	45.730
	df	21
	Sig.	.001

The total variance explained was important for the study to know what percentage of items were used to measure the study on strategic plan implementation at the NCRH.

Table 4.9(b) shows total value of variance estimated by the items used to measure strategic plan implementation at the NCRH. The reading on the table 4.9(b) shows that strategic plan implementation at the NCRH measured using 7 items in 3 components can be measured at 71.765%. This value was sufficient because it exceeded the minimum requirement of 60%

Table 4.9(b): Total variance explained on strategic plan implementation at the Narok County referral hospital.

Total Variance Explained						
Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.697	38.523	38.523	2.333	33.332	33.332
2	1.276	18.235	56.758	1.518	21.681	55.013
3	1.050	15.007	71.765	1.173	16.752	71.765
4	.696	9.939	81.704			
5	.570	8.149	89.853			
6	.442	6.307	96.160			
7	.269	3.840	100.000			
Extraction Method: Principal Component Analysis.						

Table 4.9(c): Scree plot of eigen values on strategic plan implementation at the Narok County referral hospital.

The scree plot was important for the study to determine the number of components to keep in PCA. Table 4.9(c) shows that 3 components can be retained as the curve starts inflexing at component number 3. The components are sufficient because all their eigen values are above 1
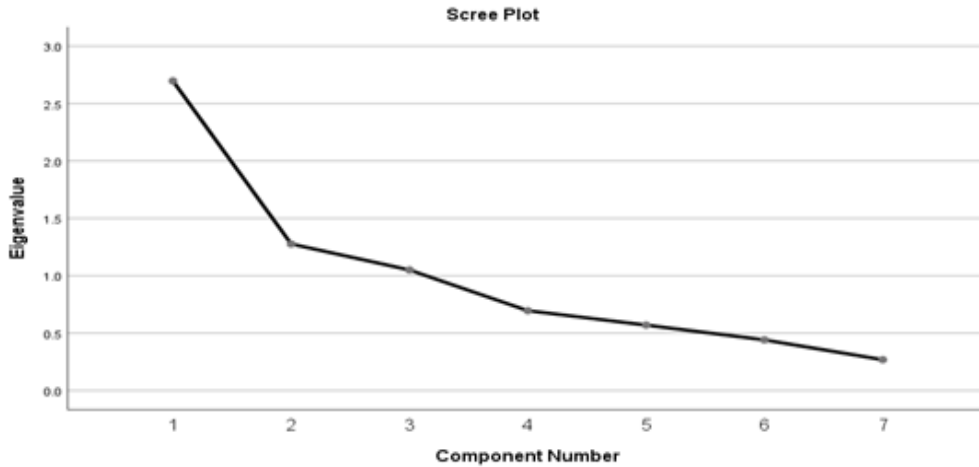
The findings from table 4.9(b) shows the construction of role strategic plan implementation at the NCRH. measured by three components thereby allowing the study to know the items chosen to measure the components. Table 4.9(d) shows the distribution of items received to measure the construct on strategic plan implementation at the NCRH. All items that have a factor loading exceeding the minimum limit of 0.5 are highlighted in table 4.9(d). These components were grouped together in their respective components and renamed as new factors.

Table 4.9(d): Rotated factor matrix on strategic plan implementation at then Narok County referral hospital.

Rotated Component Matrix[a]			
	Component		
	1	2	3
Completion rate in construction of physical facilities	.777	-.346	.060
Completion rate of installation of medical equipment at the NCRH	.311	.337	-.715
Availability of drugs prescribed in the hospital pharmacy at all times	.833	.248	.045
Stocking of specialized units with specialized commodities.	.746	.286	-.091
Conducting routine training of health workers.	.549	.532	.130
Availability of all health specialists at the NCRH.	.050	.900	-.052
Availability of emergency services e.g., ambulance	.279	.217	.792
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.			
a. Rotation converged in 5 iterations.			

85

Renaming of components on strategic plan implementation at the Narok County referral hospital

The   four items loaded on component 1. It is clear from the table that these four items are all related to   medical resources. These factors are loading onto the perception of respondents on availability of medical resources at the Narok County Referral hospital. The factors loaded include:

1. *Completion rate in construction of physical facilities,*

2. *Availability of drugs prescribed in the hospital pharmacy at all times,*

3. *Stocking of specialized units with specialized commodities and*

4. *Conducting routine training of health workers.*

These factors were therefore labeled as **"Availability of medical resources".**

The two items that loads into component 2 are all related to professionalism. These factors are loading onto perception of respondents on their availability of professionalism at the Narok County Referral hospital. The factors loaded include:

i. *Conducting routine training of health workers and*

ii. *Availability of all health specialists at the NCRH.*

These factors were therefore labeled as **"Availability of professionalism".**

The last two items loaded in component 3 are all related to services. These factors are loading onto the respondent's perception on the availability of services at the NCRH. The factors loaded include:

i. *Completion rate of installation of medical equipment at the NCRH and*

ii.   *Availability of emergency services e.g., ambulance.*

These factors were therefore labelled as **"Availability of Medical Service Delivery".**

4.5 Correlation analysis and hypothesis testing

The loaded factors were subjected for further analysis using Pearson's Correlation in order to establish the relationship that exist between the independent and Dependent variables at 95 percent confidence level. This section therefore presents the result of correlation analysis and hypothesis testing under each of the three objectives of the study.

4.5.1 Relationship between budgeting and strategic plan implementation

The first objective of the study was to determine the influence of budgeting on strategic plan implementation at the Narok County Referral Hospital. To achieve this objective four components obtained from Table 4.6(d) which includes formal budgeting, budgetary communication, budgetary monitoring and evaluation and budgetary participation were further subjected to correlation analysis with the help of SPSS with the three factors of strategic plan implantation. Hypothesis was tested using correlation coefficient at 95% confidence level between various components of independent and dependent variables. The results of correlation analysis and hypothesis testing are presented in Table 4.10(a) The results in Table 4.10(a) indicates that there is a direct moderate positive relationship between formal budgeting and availability of resources, as well availability of professionalism at the Narok County Referral Hospital (r =.513**, P =.004), (r =.556**, P= .001). This means that when formal budgeting is improved by taking seriously budget alterations proposals by the heads of departments, using software when preparing budget, making available previous year's data on budget when developing the current year's

87

budget, using the NCRH budget guidelines, having in place very clear performance indicators, analyzing budget and actual results and taking action on the variance between the budget and actual results by the NCRH management, there will be

Table 4.10 (a): **Correlation analysis between budgeting and strategic plan implementation.**

component		Strategic plan Implementation		
		Availability of medical resources	Availability of professionalism	Availability of Medical Service Delivery
Formal Budgeting	Pearson Correlation	.513**	.556**	.132
	Sig. (2-tailed)	.004	.001	.488
	N	30	30	30
Budgetary communication	Pearson Correlation	.328	.339	.244
	Sig. (2-tailed)	.077	.067	.194
	N	30	30	30
Budgetary monitoring and evaluation	Pearson Correlation	.331	.339	.039
	Sig. (2-tailed)	.074	.067	.836
	N	30	30	30
Budgetary participation	Pearson Correlation	.436*	.337	.010
	Sig. (2-tailed)	.016	.069	.958
	N	30	30	30
**. Correlation is significant at the 0.01 level (2-tailed).				
*. Correlation is significant at the 0.05 level (2-tailed).				

an improvement in availability of medical resources in terms of completion rate in construction of physical facilities, availability of drugs prescribed in the hospital pharmacy at all times, Stocking of specialized units with specialized commodities and Conducting routine training of health workers as well availability of professionalism at the Narok County referral hospital in terms of Conducting routine training of health

workers and availability of all health specialists at the NCRH. The results are in are in agreement with the study of Qi (2010) that there is a relationship between formal budgeting and strategic plan implementation.

Budgetary participation showed a direct moderate positive correlation with availability of medical resources (r $=0.436^*$,$P=$ 0.016) and a direct weak positive correlation with availability of professionalism (r $=0.337$, $P=$ 0.069).This means that an improvement in budgetary participation in terms of taking seriously budget alterations proposals by the heads of departments, using software when preparing budget, making available previous year's data on budget when developing the current year's budget, using the NCRH budget guidelines, having in place very clear performance indicators, analyzing budget and actual results and taking action on the variance between the budget and actual results by the NCRH management, would lead to improvement in availability of medical resources and availability of professionalism at the NCRH in terms of Conducting routine training of health workers and availability of all health specialists at the NCRH. The results are in agreement with the study of Zonatto (2020), Wilson, (2021, May 2) that there is a relationship between budgetary participation and strategic plan implementation.

The first hypothesis of the study stated as *Ho*: *There is no relationship between budgeting and strategic plan implementation at the Narok County referral hospital*. This hypothesis was tested using correlation analysis at 95% confidence level based on different components of budgeting (Formal Budgeting, Budgetary communication, Budgetary monitoring and evaluation and Budgetary participation) against different components of strategic plan implementation at the Narok County referral hospital (Availability of

medical resources, Availability of professionalism and Availability of Medical Service Delivery).

The results presented in table 4.10(a) indicates that formal budgeting had a significant correlation with availability of medical resources and availability of professionalism (p=0.004, p=0.001) respectively. Similarly, budgetary participation had a significant correlation with availability of medical resources (p=0.016, P=0.069). Generally different components of budgeting had a significant correlation with different components of strategic plan implementation at the Narok County Referral hospital. The null hypothesis was rejected and alternative hypothesis is accepted.

These results are consistent with Qi (2010) that a highly formal budgetary control leads to higher budgetary participation and better implementation of strategic plan likewise Zonatto (2020) averse that budgetary participation influences overall performance in strategic plan implementation. It is therefore evident that the tenets of Balanced scored card theory as espoused by Balanced Scorecard Institute (2022), that involvement of people enables them to be able to understand the budgeting processes, budgetary communication, Budgetary monitoring and evaluation and Budgetary participation which are critical elements in ensuring efficient and effective implementation of Strategic objectives in order to realize the desired targets. Conversely it would enable them to able to track the key performance indicators towards realizing the successful implementation of the NCRH 2017-2023 strategic plan.

4.5.2 Relationship between book keeping and strategic plan implementation

The second objective of the study was to examine the influence of book keeping on strategic plan implementation at the Narok County Referral Hospital. To achieve this

objective, three components obtained in table 4.7(d) which includes accuracy in book keeping, transparency and accountability and finally book keeping analysis were further subjected to correlation analysis with the help of SPSS with the three factors of strategic plan implantation. Hypothesis was tested using correlation coefficient at 95% confidence level between various components of independent and dependent variables. The results of correlation analysis are presented in Table 4.10(b)

Table 4.10 (b): Correlation analysis between book keeping and strategic plan implementation.

component		Strategic plan implementation		
		Availability of medical resources	Availability of professionalism	Availability of medical service delivery
Accuracy in Book Keeping	Pearson Correlation	.244	.236	-.059
	Sig. (2-tailed)	.194	.209	.757
	N	30	30	30
Transparency and accountability	Pearson Correlation	.321	.348	-.118
	Sig. (2-tailed)	.084	.060	.534
	N	30	30	30
Book Keeping analysis	Pearson Correlation	.459*	.396*	.144
	Sig. (2-tailed)	.011	.030	.447
	N	30	30	30
*. Correlation is significant at the 0.05 level (2-tailed).				
**. Correlation is significant at the 0.01 level (2-tailed).				

The results in Table 4.10(b) indicates that there is a direct moderate positive correlation between Book Keeping analysis with availability of medical resources but a direct weak positive correlation with availability of professionalism at the Narok County Referral Hospital (r = .459*, *P*= .011), (r =.396*, *P*= .030). This means that improvement in book keeping analysis in terms of timely preparation of financial reports, use of information from book keeping analysis in management of cost and expenses and using information

from book keeping analysis to improve implementation of strategic plan implementation will result to an improvement in availability of medical resources in terms of completion rate in construction of physical facilities, availability of drugs prescribed in the hospital pharmacy at all times, Stocking of specialized units with specialized commodities and Conducting routine training of health workers as well availability of professionalism at the NCRH in terms of Conducting routine training of health workers and availability of all health specialists at the NCRH.   The results are in are in agreement with the study Musah (2017) that there is a relationship between book keeping analysis and strategic plan implementation.

The second hypothesis of the study stated as Ho: *there is no relationship between book keeping and strategic plan implementation at the Narok County referral hospital*. This hypothesis was tested using correlation analysis at 95% confidence level coefficient based on different components of book keeping (Accuracy in Book Keeping, Transparency and accountability and Book Keeping analysis) against different components of strategic plan implementation at the Narok County referral hospital (Availability of medical resources, Availability of professionalism and Availability of Medical Service Delivery).

The results presented as shown in table 4.10(b) which indicates that Book Keeping analysis had a significant correlation with availability of medical resources and availability of professionalism (p=0.011, p=0.030) respectively. Generally different components of book keeping had a significant correlation with different components of strategic plan implementation at the Narok County Referral hospital. The null hypothesis is

rejected and alternative hypothesis is accepted.   The These results are in agreement with Musah (2017) that there is a relationship between bookkeeping analysis and strategic plan implementation. Osman et al. (2018) avers that book keeping positively impacts the strategic plan implementation. According to the balanced scorecard theory, monitoring and analysis enable the organization to measure and monitor progress towards strategic targets through timely preparation of financial reports, management of costs and expenses, highlighting strengths and shortcomings, and using bookkeeping analysis reports for strategic plan implementation improvement These are critical elements in ensuring efficient and effective implementation of strategic plan targets in order to get the desired results (Balanced Scorecard Institute 2022). Conversely, these parameters would enable hospital staff to track the key performance indicators towards realizing the successful implementation of the NCRH 2017-2023.

4.5.2 Relationship between disbursement of allocated funds and strategic plan implementation

The third objective of the study was to investigate the influence disbursement of allocated funds on strategic plan implementation at the Narok County Referral Hospital. To achieve this objective, five components obtained in table 4.8(d) which includes; Timely disbursement of funds, adherence to disbursement policy, availability of funds, adequacy of funds and finally availability of allocation policy were further subjected to correlation analysis with the help of SPSS with the three factors of strategic plan implantation. Hypothesis was tested using correlation analysis at 95% confidence level between various components of independent and dependent variables. The results of correlation analysis were presented in Table 4.10(c)

Table 4.10 (c): Correlation analysis between Disbursement of Allocated Funds and Strategic Plan Implementation.

component		Availability of medical resources	Availability of professionalism	Availability of Medical Service Delivery
		Strategic plan Implementation		
Timely disbursement of Funds	Pearson Correlation	.315	.380*	.158
	Sig. (2-tailed)	.090	.038	.405
	N	30	30	30
Adherence to disbursement policy	Pearson Correlation	.247	.321	.203
	Sig. (2-tailed)	.188	.083	.282
	N	30	30	30
Availability of funds	Pearson Correlation	.300	.461*	.207
	Sig. (2-tailed)	.108	.010	.273
	N	30	30	30
Adequacy of funds	Pearson Correlation	.122	.292	.316
	Sig. (2-tailed)	.520	.117	.089
	N	30	30	30
Availability of allocation policy	Pearson Correlation	-.025	-.067	.330
	Sig. (2-tailed)	.895	.725	.075
	N	30	30	30
**. Correlation is significant at the 0.01 level (2-tailed).				
*. Correlation is significant at the 0.05 level (2-tailed).				

The result in table 4.10 (c) indicates that there is a direct weak positive correlation between timely disbursement of funds with availability of professionalism at the Narok County Referral hospital (r =.380*, *P*=.038). This means that improvement in timely disbursement of medical resources in terms of releasing allocated funds in time releasing funds based on priority and adherence to allocation policies will lead to improvement in availability of professionalism in terms of Conducting routine training of health workers and availability of all health specialists at the NCRH. The results are in agreement with

Kimencu (2020) that there is a relationship between timely disbursement of allocated funds and strategic plan implementation.

The availability of funds showed a direct moderate positive correlation with availability of professionalism at the Narok County Referral Hospital (r =.461*, *P*=.010). This means that improvement in availability of funds in terms of making disbursed funds easily accessible and on priority basis will leads to improvement in availability of professionalism in terms of Conducting routine training of health workers and availability of all health specialists at the NCRH. This is in agreement with Kimencu (2020) that there is a relationship between timely disbursement of allocated funds and strategic plan implementation.

The third hypothesis of the study stated that *Ho: there is no relationship between disbursement of allocated funds and strategic plan implementation at the Narok County referral hospital*. This hypothesis was tested using correlation analysis at 95% confidence level based on different components of disbursement of allocated funds (Timely disbursement of Funds, Adherence to disbursement policy, Availability of funds and adequacy of funds) against different components of strategic plan implementation at the Narok County referral hospital (Availability of medical resources, Availability of professionalism and Availability of Medical Service Delivery).

The results in table 4.10(c) indicates that timely disbursement of funds had a significant correlation with availability of professionalism (*p*=0.038). Similarly, availability of funds had determined to have a significant correlation with availability of professionalism (*p*=0.010) Generally, different components of disbursement of allocated funds had a

significant correlation with different components of strategic plan implementation at the Narok County Referral hospital. The null hypothesis was rejected and alternative hypothesis is accepted.

These results are in line with Kimencu (2020) that there is a relationship between timely disbursement of allocated funds and strategic plan implementation likewise Wanja (2017) contend that there is a relationship between timely disbursement of allocated funds and strategic plan implementation. Based on Balanced score card theory, prioritizing projects, products, and services through timely disbursement of allocated funds, adherence to disbursement policy availability and adequacy of funds helps in successful strategic plan implementation. These are parameters are key in ensuring efficient and effective implementation of strategic plan targets in order to get the desired results. Conversely it would enable them to able to track the key performance indicators towards realizing the successful implementation of the NCRH 2017-2023 strategic plan.

CHAPTER FIVE
SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

In this chapter, the summary of the findings, conclusions and recommendations of the study are presented. It also provides the suggestions of areas for further study.

5.2 Summary of Findings

The study sought to investigate the influence of financial control on strategic plan implementation at the NCRH in Kenya. In this context, the study sought to determine the influence of budgeting, book keeping and disbursement of allocated funds on strategic plan implementation at the NCRH.

The study adopted descriptive research design. The target population of the study were employees of NCRH. Sample frame of the study was the HR database of the hospital, the study adopted census as the sampling technique. Primary data was collected using three-point Likert scale questionnaire administered to 30 heads of departments seeking their perception on various parameters.

KMO and Bartlett's test of sphericity were used to test whether data collected was adequate for factor analysis. factor analysis was done through total variance explained, the scree plot and rotated component matrix. The relationship between variable was determined using correlation analysis and hypothesis tested at 95% confidence level.

The first objective of the study was to determine the influence of budgeting on strategic plan implementation at the Narok County Referral Hospital. The result indicated that there is a direct moderate positive association between formal budgeting(taking seriously budget alterations proposals by the heads of departments, using software when preparing

97

budget, making available previous year's data on budget when developing the current year's budget, using the NCRH budget guidelines when preparing budget, having in place very clear performance indicators when preparing budget, analyzing budget and actual results and taking action on the variance between the budget and actual results by the NCRH management) with availability of resources and availability of professionalism at the NCRH. Similarly, budgetary participation (seeking the input of heads of departments when preparing budget and taking their proposals on budget alterations seriously) showed a direct moderate positive relationship with availability of medical resources. The null hypothesis was therefore rejected and alternative hypothesis accepted.

The second objective of the study was to examine the influence of book keeping on strategic plan implementation at the Narok County Referral Hospital, the results indicated that there is a direct moderate positive association between book keeping analysis (timely preparation of financial reports, managing the cost and expenses using information from book keeping, highlighting the strength and weaknesses of the hospital with the help of information from book keeping and using book keeping analysis for improvement of strategic plan implementation) with availability of medical resources but a direct weak positive relationship with availability of professionalism at the NCRH. The null hypothesis was rejected and alternative hypothesis was accepted.

The third objective of the study was to investigate the influence of disbursement of allocated funds on strategic plan implementation in Narok County Referral Hospital. The results indicated that there was a direct weak positive association between timely disbursement of funds (releasing funds on time, disbursement of allocated funds done based on priority and following the allocation policy) with availability of professionalism

at the NCRH. Similarly, availability of funds (making disbursed funds easily accessible by the heads of the departments, and by prioritizing the disbursement of allocated funds based of priority) showed a direct moderate positive relationship with availability of professionalism at the NCRH

5.3 Recommendations

Based on the conclusions the study therefore recommends that the following should be observed in order to improve strategic plan implementation at the NCRH:

a) There is need to enhance active participation of all the hospital stakeholders in budgeting process and to put in place effective budgetary control mechanisms for effective strategic plan implementation through

    i. considering budget alteration proposals made by the heads of departments at the point of budget preparation exercise.

    ii. Use a Financial and Accounting Information System in budget preparation.

    iii. Avail previous years data on budgeting to help in comparison purposes when preparing the current year's budget.

    iv. Stick to the NCRH budget preparation guidelines when preparing budget.

    v. Have in place very clear performance indicators at the preparation stage of budget.

    vi. Do proper budget analysis and take actions on the variances between the budget actuals results.

b) There is need for the NCRH to have effective book keeping in order to track, monitor and control all their finances for effective strategic plan implementation through.

    i. Ensuring that final reports are prepared in time.

    ii. Manage cost and expenses using information from book keeping analysis.

iii. Highlight the strengths and weaknesses of the hospital with the help of information from book keeping analysis and capitalize on them for improvement purposes.

c) There should be disbursement of funds in the right tranches on timely basis for effective strategic plan implementation through;

   i. Releasing disbursed funds to the heads of departments on time.

   ii. Ensuring that disbursement of allocated funds is done based on priority of needs.

   iii. Strictly adhering to the allocation policy.

   iv. Making funds easily accessible by the heads of departments.

   v. Prioritizing disbursement of allocated funds based on the priorities at hand.

5.4 Areas for Further Study.

This study was limited to relationship between financial control and strategic plan implementation therefore, a comparative study using actual metric across counties should be undertaken with a view to informing financial impact on strategic plan implementation.

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APPENDICES

APPENDIX I: INTRODUCTORY LETTER

<div align="right">

Moses Odhiambo Okombo
Maasai Mara University
P.O. Box 861-20500
NAROK
Tel: 0722154291
E-mail: moses.okombo@gmail.com

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15th September, 2021.

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_____

Dear respondent,

RE: INFLUENCE OF FINANCIAL CONTROL ON STRATEGIC PLAN IMPLEMENTATION AT THE NAROK COUNTY REFERRAL HOSPITAL.

I am a student at Maasai Mara University pursuing a master's degree programme in business management. I am undertaking this research as part of the requirements of the University Examination requirement. The study seeks determine the Influence of Financial Control on Strategic Plan Implementation at the Narok County Referral Hospital with a view to proposing a transformation blue-print.

I am inviting you to participate in the study. The findings will be useful to Narok County referral Hospital, policy makers, and scholars in the area of implementation of strategic plan. All information provided will be treated with the utmost confidence.

Yours sincerely,

MOSES ODHIAMBO OKOMBO.

APPENDIX II: RESEARCH QUESTIONNAIRE

The questions below are for the purposes of evaluating perception on Influence of Financial Control on Strategic Plan Implementation at the Narok County Referral Hospital. Your opinions as reflected in this questionnaire are important for this study and will be treated with the utmost confidentiality. Therefore, you are requested to fill this questionnaire in a free stand honest way possible. Please tick the appropriate answers in the boxes provided and/or write down the appropriate answers in the spaces provided. Do not write your name on the questionnaire. Thank you in advance for your time and cooperation.

SECTION A. EFFECTS BUDGETING ON STRATEGIC PLAN IMPLEMENTATION IN NAROK COUNTY REFERRAL HOSPITAL.

Indicate your opinion on the statements below concerning effect of budgeting on strategic plan implementation at the Narok County Referral Hospital (NCRH).

No.	Statement	Agree	Neutral	Disagree
1.	My input is sought when preparing budget.			
2.	My proposals for budget alteration are taken seriously			
3.	I use a software for developing budget			
4.	I easily get data for previous year's budget when am preparing budget for the new financial year.			
5.	I am involved in budget follow ups			
6.	I am informed of departmental adjustments and changes in the periodic budget reports as a feedback mechanism.			
7.	There are clear communication channels about budget performance.			
8.	Budget goals are clear and well understood.			
9.	I use NCRH budget guideline when preparing budget			
10.	NCRH budget has clear performance indicators that are measurable.			
11.	The differences between budget and actual results in my department are analyzed periodically.			
12.	The management always takes action on variance between the budget and actual results.			
13.	Budget performance evaluation reports are prepared periodically and shared with me.			

SECTION B: EFFECTS OF BOOK KEEPING ON STRATEGIC PLAN IMPLEMENTATION IN NAROK COUNTY REFERRAL HOSPITAL.

Indicate your opinion on the statements below concerning effect of bookkeeping on strategic plan implementation at the NCRH.

No.	Statement	Agree	Neutral	Disagree
14	Bookkeeping at NCRH helps me achieve transparency and accountability of funds.			
15	Bookkeeping at NCRH has made it easy for audit trail and control.			
14.	Bookkeeping at NCRH helps us to carry out effective reconciliation and analysis.			
15.	NCRH has well established bookkeeping			
16.	NCRH updates its accounting records regularly			
17.	NCRH prepares its financial reports timely			
18.	NCRH financial statements give accurate report			
19.	Information from bookkeeping helpNCRH to manage cost and expenses.			
20.	Information from Bookkeeping enable NCRH to take control measures to improve strategy implementation			
21.	Bookkeeping analysis highlight NCRH's strengths and shortcomings.			
22.	NCRH use bookkeeping analysis report for strategic plan implementation improvement.			

SECTION C: EFFECTS OF DISBURSEMENT OF ALLOCATED FUNDS ON STRATEGIC PLAN IMPLEMENTATION IN NAROK COUNTY REFERRAL HOSPITAL.

Indicate your opinion on the statements below concerning effect of disbursement of allocated funds on strategic plan implementation at the NCRH.

No.	Statement	Agree	Neutral	Disagree
23.	The money disbursed for the projects are adequate			
24.	All finances are disbursed at the right time			
25.	All finances disbursed are utilized for the intended purposes			
26.	NCRH has adequate financial resources			
27.	The funds disbursed at NCRH are easily accessible			
28.	The NCRH management releases funds for us on time			
29.	Funds in NCRH are disbursed based on priority			
30.	NCRH has a policy on funds allocation			
31.	NCRH follows all resource allocation policies			
32.	The NCRH allocates resource based on resource allocation policy			

SECTION D: STRATEGIC PLAN IMPLEMENTATION AT THE NAROK COUNTY REFERRAL HOSPITAL.

Indicate your opinion using the three levels of strategic plan implementation as follows; Low as **(0-39) %,** Medium as **(40-59) %** and High as **(60-100) %,** for each of the following strategic performance indicators at the Narok County referral Hospital.

SN	Strategic plan implementation performance indicators	Low (0-39) %	Medium (40-59) %	High (60-100) %
33	Completion rate in construction of physical facilities			
34	Completion rate of installation of medical equipment at the NCRH			
35	Availability of drugs prescribed in the hospital pharmacy at all times.			
36	Stocking of specialized units with specialized commodities			
37	Conducting routine training for health workers			
38	Availability of all health specialists at the NCRH			
39	Availability of emergency services e.g., ambulance			

APPENDIX III: INTRODUCTION LETTER FROM UNIVERSITY

Maasai Mara University

BOARD OF POSTGRADUATE STUDIES

OFFICE OF THE DIRECTOR

P.O. BOX 861 – 20500	Tel: +254 – 20 -2066042
Narok, Kenya www.mmarau.ac.ke	+254 – 20 - 8081874

13th September, 2021

RESEARCH PERMITS SECTION
NACOSTI
UTALII HOUSE

REF: MOSES ODHIAMBO OKOMBO (REG. NO. MBM/1002/2015)

We wish to confirm that the above named is a bona fide Master student at Maasai Mara University pursuing a Master of Business Management (Strategic Management Option) in the School of Business & Economics. His proposed research is "*Influence of Financial Control on Strategic Plan Implementation at the Narok County Referral Hospital*". He would like to apply for a research permit from NACOSTI before he can proceed for field work and data collection.

We further confirm that the candidate has adhered to all research protocol requirements of Maasai Mara University and the proposed research has been rated as having no known adverse impacts on the environment and does not pose any ethical concerns.

This is therefore to request your office to issue him with a research permit.

Faithfully yours,

Prof. Romulus Abila, PhD.
Director, Board of Postgraduate Studies

APPENDIX IV: RESEARCH BUDGET

SN	Items	Estimated Cost
1.	Proposal Writing	65,000.00
2.	Data Collection	85,000.00
3.	Stationery	15, 000.00
4.	Travelling Expenses	30, 000.00
5.	Research Clearance	1, 000.00
6.	Printing and Binding	30, 000.00
7.	Thesis Compiling	12, 000.00
8.	Publication	10, 000.00
9.	Miscellaneous	20, 000.00
	Total	**268, 000.00**

APPENDIX V: RESEARCH PERMIT FROM NACOSTI

REPUBLIC OF KENYA

NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION

Ref No: **823985**

Date of Issue: **07/March/2022**

RESEARCH LICENSE

This is to Certify that Mr.. **Moses Odhiambo Okombo** of **Maasai Mara University**, has been licensed to conduct research in Narok on the topic: **INFLUENCE OF FINANCIAL CONTROL ON STRATEGIC PLAN IMPLEMENTATION AT THE NAROK COUNTY REFERRAL HOSPITAL** for the period ending : **07/March/2023.**

License No: **NACOSTI/P/22/16170**

823985

Applicant Identification Number

Director General
NATIONAL COMMISSION FOR
SCIENCE, TECHNOLOGY &
INNOVATION

Verification QR Code

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