

Strategic Welfare Services on Employee Performance in Level Five Public Hospitals in Kenya

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Abstract

This study investigated the influence of Strategic Welfare Services on employee performance in Level Five Public Hospitals in Kenya guided by human capital theory, cybernetic theory, contingency theory, goal setting theory and AMO theory. The study used descriptive research survey and adopted cross-sectional survey research design. The study targeted all permanent employees within the ranks of senior management, middle management, lower management and general staff in the hospitals. This involved a target population of 1428 employees from which a sample of 146 was obtained through simple random sampling. Proportionate sampling was used in selecting the permanent employees from the hospitals representing 10% of the accessible population. Two hospitals not included in the final study were purposively selected for a pilot study to check on reliability and validity of instruments. Both primary and secondary data collection methods were used in form of questionnaires and interview schedules. Collected data was descriptively analyzed and presented in tables. Correlation and multiple regression were conducted at 0.05% level of significance to determine the strength and direction of the relationship between variables. Study findings indicated that strategic welfare services influenced employee performance in the level five public hospitals in Kenya. The authors recommend the use, implementation and sensitization of strategic welfare service contingent to the health sector that will steer up employee performance. The paper is an information source for government departments, the health sector, NGOs and individuals on employee welfare.

Keywords: Strategic Welfare Service, Employee Performance, Level Five Public Hospitals, Health Sector

Introduction

The concept of Strategic Human Resource Management (SHRM) evolved in the 1990s with emphasis on a proactive, integrative and value-driven approach to human resource management (Schuler, 2007). Influenced by the global competition and the corresponding search for sustainable competitive advantage, the concept achieved prominence because it provided a means by which firms could enhance the competitiveness and promote managerial efficiency and effectiveness through employee performance organizations. By nature, SHRM implied a managerial orientation which ensured that human resources were employed in a manner conducive to the attainment of organizational goals and objectives. Ideally employees spend most of the noteworthy time of their life at the workplace, hence becoming their home. Employees, shareholders, creditors, suppliers, government among other stakeholders influence company's effectiveness therefore are important for a company. If they are to be prioritized,

employees would undoubtedly top the list as they are undeniably crucial stakeholders who directly influence work performance in a given organization by stabilizing the tremors caused by the business environment. Every company or organization has an inexplicable role to play in providing welfare services to the employees not just monetary but also non-monetary. A satisfied employee is the key ingredient for progress of every sector and the concept of employee welfare was and will always be a part of the any sector's performance.

Background of the Study

Employee Welfare Services

The concept of employee welfare has been used by many organizations as a strategy to improve performance of employees. Manzini and Gwandure (2011) observe that work related problems can lead to poor quality of life for employees leading to a decline in performance. According to Priti (2009), the role of welfare activities is to promote economic development by increasing efficiency and productivity with the underlying principle being, making workers give their loyal services ungrudgingly in genuine spirit of co-operation and their general well-being. Nonetheless Mwiti (2007) argues that naturally, welfare services may not directly relate to an employee's job but the presence or absence of the services is notable through employee performance, attitude, high or low labour turnover. The health sector and specifically level five hospitals provide essential service to the public in Kenya. It is therefore imperative that the county governments and the Ministry of health provide these services to them.

The services may either be voluntarily provided by progressive and enlightened employers at their will as a social responsibility or compelled by laws through government and the trade unions. Employee welfare entails all those activities of employer, which are directed towards providing the employees with certain facilities and done towards the comfort and improvement of employees (Kimathi,2017). The welfare measure need not be monetary but in any kind including items such as allowances, housing, transport medical insurance and food. Employee welfare also includes monitoring of working conditions, creation of industrial harmony through infrastructure for health industrial relations and insurance against diseases incident.

According to Friedlander (2006), employee welfare services are very broad areas of interest. When the environment is good, employers address employee welfare services in the organization and also consider employee welfare services in terms of pressures one will experience outside the working place. Then an employer who is genuinely interested in the welfare of his/her employees need to be concerned about creating a positive work environment where staff recognise that they are valued. Okereke *et al*, (2010) view welfare as a corporate attitude or commitment reflected in the expressed care for employees at all levels, underpinning their work and the environment in which it is performed. Coventry and Barker (1988), particularly asserted that employee welfare included providing social club and sports, facilities as appropriate, providing canteens running sick bays, savings schemes, pension funds and leave grants, making soft loans approving staff transport, maternity allowances, medical insurance covers and proving fringe benefits. The Committee of experts on welfare facilities for employees constituted by the International Labour Organization (ILO) in 1963 has divided the welfare measures into intramural and extramural schemes. The Intramural welfare amenities are those provided within the premises of the establishments such as sanitary facilities, crèches, rest shelters and canteens, drinking water, prevention of fatigue, health services including occupational safety, administrative arrangements, uniforms and protective clothing, shift allowance among others. Employer secures the benefits of high efficiency and low employee absenteeism and minimum employee turnover. Facilities like housing, medical benefits and education facilities help to increase productivity of workers. Performance on the other hand

means goods and services produced in a specified period of time in relation to the resources utilized (Singh, 2009). But Cohen *et al* (2005) contented that it is more than a narrow economic measure, as it also measures how well the group performs its required tasks to satisfy its customers both internally and externally. In effect, performance suggests effectiveness and efficiency of the employees.

According to Nyamwamu *et al.*, (2012), welfare services can be used to secure the labour force by providing proper human conditions of work and living through minimizing the hazardous effect on the life of the workers and their family members (Manzini & Gwandure, 2011). Welfare services may be provided for matters concerning employees in terms of supplementing the income of the workers by providing services such as housing, medical assistance, canteens and recreation facilities (Mishra and Manju, 2007). Further, welfare facilities help in raising employees' standards of living. This makes workers to pay more attention towards work and thus increases their productivity and foster better industrial relations, help organizations' visibility and popularity (Priti, 2009).

Devolved Health Sector in Kenya

The 2010 constitution provides a legal framework that guarantees an all-inclusive rights-based approach to health service delivery to Kenyans. In order for the health services to be all inclusive and rights-based, as envisaged in the constitution, four important inputs are required. First, there has to be the availability of a network of healthcare facilities; second, the facilities must be functional with competent and motivated staff; third, there needs to be supplies of essential medicines, and, finally, funds for the operation and maintenance of health facilities must reach the facilities on time. These four factors are primary to delivering the healthcare promise to the 62 per cent of Kenyans who primarily rely on the public healthcare system (Mwangi 2013, cited by Kimathi, 2017).

The Kenya Health Policy 2012-2030, provides an institutional framework that specifies the institutional and management frameworks required under the devolved system. The policy sets out the objectives of the new governance structure as:

- Delivery of efficient, cost effective and equitable health services;
- Devolution of health service delivery, administration and management to the community level; • stakeholder participation and accountability in health service delivery, administration and management;
- Operational autonomy;
- Efficient and cost-effective monitoring, evaluation, reviewing and reporting systems;
- Smooth transition from old to devolved structures; and
- Complementarity of efforts and interventions

Employee Performance

Employee performance is a multidimensional and dynamic core concept within work and organizational psychology. The term is synonymous with human resources (employees) and their performance in a given organization. It has to do with all the job activities expected of an employee and how well those activities are carried out (Kavoo-Linge *et al.*, 2013). Employee performance has also been viewed in terms of outcomes and behaviour based on individual factors as personality, skills, knowledge, experience and abilities. According to Armstrong (2009), different indicators are used to measure performance. Quality could be measured by percentage of work output that must be redone or rejected, customer satisfaction that is measured by the number of customers that are faithful and customer feedback; timeliness of efficiency; measured in terms of how fast work is performed by the employee when given a

particular task. Makata's (2008) observation however focuses on absenteeism and achievements onset objectives. According to Kenney *et al.*, (2003) employee's performance is measured against the performance standards set by the organization. These could be productivity, efficiency, effectiveness, quality, profitability measures and customer feedback be it positive or developmental feedback.

It is worth noting that Employee performance is crucial if an organization is to maintain its efforts towards the realization of predesigned goals especially in a competitive environment. Emerging issues in most organizations in the field of Human resource has forced most organizations to re-engineer the way they recruited, trained, retained, motivated and rewarded its labour force. The successful future of any sector in an economy depends on its strategic approach to economic issues. The level 5 hospitals, being key pillars of Kenya's economy require a high degree of competitive and high performing employees (Nyanjom, 2011).

Statement of the Problem

Employee performance has become a major concern in many organizations. Welfare services are very important to all the employees in any organization and particularly the health sector. Consequently, a lack of it may lead to absenteeism, high turnover and lack of satisfaction. Welfare includes everything done for the comfort and improvement of employees apart from wages such as monitoring of working conditions, infrastructure for health insurance, accidental and unemployment benefits for workers and their families, transport and medical maternity leave, education for children and post-retirement benefits (Munyoki, 2010). Most of the hospitals in the county governments rarely provide overall competitive packages of employee welfare benefits to its employees, which results in low performance, high turnover, and retention problems.

The Level five hospitals have been faced with increased agitation from the workers unions and staff association because of the inadequate employee's welfare services, poor administration or total withdrawal of the existing ones. The dissatisfaction of employees towards the administration and management of employee welfare activities need proper investigation and examination in order to find a lasting solution to these numerous problems.

Studies such as Cook (2008) who examined the effects of fringe benefits on rate of quitting in addition to the effects of wages; Pegg (2009) who investigated how benefits can impact on satisfaction, motivation and performance levels and how organizations are choosing to inform their people about the type of benefits on offer; and Mulwa's (2010) study on factors that influence staff turnover in World Vision and recommending a review of existing pension plan to address staff expectation still remain inadequate prompting the current study to investigate whether strategic employee welfare services influence performance of employees in the Level Five Public Hospitals in Kenya.

Objectives

This paper entails a study conducted to determine the influence of strategic Welfare services on employee performance in Level Five Public Hospitals in Kenya and is drawn upon the hypothesis that: Employee welfare services has a positive significant influence on employee performance in the health sector in Kenya.

Theoretical Review

Quality of Work Life, epitomized in employee welfare is the degree to which the employees are able to satisfy important personal need through their experiences in a company (Singh, 2009). According to (Aswathappa, 2004), it involves physical, mental, moral and emotional

well-being. This is conceptualized by Singh (2009), as occupational health which together with suitable working time and appropriate salary, increase motivation and satisfaction of an employee. Ulrich (2005) cited by Sabwani (2014), attempts to link strategic welfare service and employee performance relying on a belief that improving the way people are managed inevitably leads to enhanced performance.

Human Capital (HC) Theory

This theory states that people possess innate abilities, behaviours and personal energy which are elements that make up the human capital (Davenport, 1999). In HC theory it is the knowledge, skills and abilities of individuals that create value. As a result, focus has to be on the means of attracting, retaining and developing human capital. According to Armstrong (2010), individuals generate, retain and use knowledge that creates intellectual capital. The individual's knowledge is then enhanced by the interactions between them i.e. social capital which generates institutionalized knowledge that organizations own. In linking this theory to the health sector in Kenya, the study notes that the Human resource for Health (HRH) is a key resource. The theory confirms that knowledge, skills and abilities of individuals create value hence focus had to be on the means of attracting employees, welfare services offered by the health sector in, retaining and motivating employees (Doctors, Nurses, Clinical Officers, laboratory technicians, information technologists and in general the health workers and administrators) for better performance.

Goal Setting Theory

The theory was advanced by Latham and Locke, (2002); who emphasized goal setting and encouragement of decision rights and employee voice as a basis for employee performance. According to (Kagaari, 2010), the scholar emphasized that taking responsibility for results required that organizational members are given the opportunity to influence their results favourably and have the freedom to take action. This implied that people had to be authorized by their managers to independently and swiftly take action on problems without having to ask for permission first. According to Armstrong (2009), employees are most likely to meet or exceed performance goals when they are empowered with the authority to make decisions and solve problems related to results for which they are accountable in the right environment.

Contingency Model (Best Fit Model)

This model asserts that there exist no universal or unique HRM practices and or policies, but rather they are contingent to an organization's context, business strategy, and culture (Storey & Sisson, 2000). Proponents of this school of thought assert that HR practices are more effective when properly integrated with a given environmental and or organizational situation. Contingency theory emphasizes best fit, which requires that HR practices are suitable for organization's situation, such as the culture, internal and external environments, and operational procedures. When applied HR practices should then consider the mutual needs of the people and the organization in question.

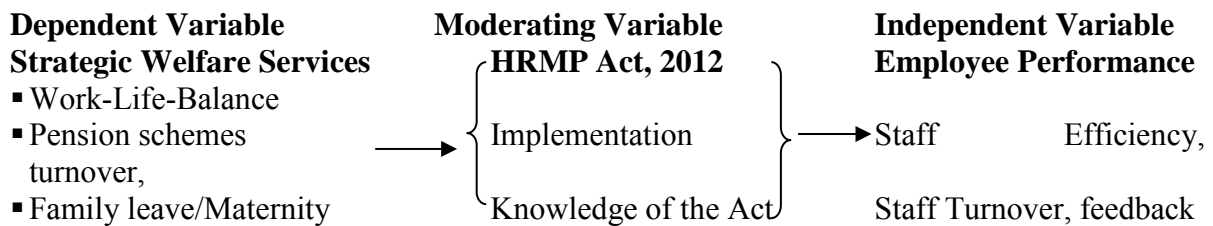
The main tenet of best fit theory is an exploration of the connection between HRM and strategic management through an examination of the vertical integration between an organization's operation strategies and the drafted HRM processes and policies (Ulrich & Brockbank, 2005). Vertical integration is the fit that gives leverage by means of policies, processes, and procedures that are largely known to be the core of the strategic approaches in managing human capital (Schuler *et al.*, 2007). Therefore, best fit facilitates a clear and strong connection between internal HRM practices and policies and the external strategies concerned with the business market. This creates competence and ultimately led to superior employee performance

that is reflected in organizational success (Marchington & Grugulis, 2006).

Linking contingency theory to health sector and specifically County Hospitals, the authors noted that all the Four County Hospitals selected for the study had different styles of managing their employees, they had different structures, facilities and they were located in different environments or locations. This meant that the hospitals in these counties operated contingent to their structures, leadership style, physical facilities or amenities, welfare services that they offered, resources and cultures that was why we had best performing governors and worst performing governors.

Conceptual Framework

Conceptual framework gives a diagrammatic representation of linkages or relationships between study variables (Robson, 2011).



Empirical Review

Strategic welfare services encompassed a desirable state of existence involving physical, mental, moral and emotional well-being of an employee. According to Stratton (2009), welfare services are a financial or other assistance offered to an employee or family by an organization. Employee welfare is a comprehensive term that included various services, benefits and facilities offered to them by employers. Some of the various welfare services included; allowances, housing, transport, medical insurance, pension schemes, family leave and canteens, sick days, child care programs, financial assistance, educational (Lagat *et al.*, 2014).

In addition, fee benefits, wellness programmes, medical insurance and workers compensation programs are services through which employee performance is enhanced, Stratton, (2009). Child care programs help attract and retain employees with young children. Organizations that put in place a child-care centre within the work premises minimise stress that is brought about by rearing tender age children and it immensely increases productivity giving the worker security to work and consequently improves their performance (Okumbe, 2010). Transport benefits in form of transport allowance, car allowance, company car or van pooling is very important in the performance of the employee. Accordig to Okumbe (2010), an organization that provided an employee with a company car increased his or her performance and prestige. This had an emotive impact on the employee as it is considered prestigious. Van pooling is also very popular with companies; they provided a van that could be used by a number of employees at the same time.

Employers who provide transportation benefits eased movement among the employees which leads to employee satisfaction and performance (Okumbe, 2010). Most organizations provide welfare facilities to their employees that keep them highly motivated. Employers understand that stress free staffs is a major asset to the organization and therefore provided welfare services and programmes which are concerned with the total well-being of the staff both at work and at home.

Kuria (2012) carried out a study on the effect of employee welfare programmes on job satisfaction of employees within the flower industry in Kenya. He pointed out that employee welfare programs rested mainly on the abstract ground of social responsibility on organizations for employees that worked for them. The study established that the welfare services like insurance, maternity leave, and leave allowance provided by the flower industry had a positive effect on employee performance. Hence organizations need highly performing employees for them to realise their goals in the delivery of services and it increased their competitive advantage.

According to Okumbe (2010), an organization that was genuinely interested in the welfare of its workers was concerned about creating a positive work environment where individuals recognised that they were valued, it then boosted their performance. Medical insurance coverage was one of the welfare services that enhanced employee performance. Due to the high cost of hospitalization, surgical and maternity care, it had become necessary that employees be cushioned against these costs putting in place Medical insurance. Employees with medical insurance were more likely to be satisfied with their work and with the employer which then eventually translates into effective performance.

According to Masinde (2011), in a comparative study carried out on the effects of social welfare facilities on employee motivation in Pan African Paper Mills and Mumias Sugar Company, the study established that facilities provided to employees were a strong motivational element that enhanced employee performance. Studies carried out by Manzini and Gwandure (2011) revealed that employee welfare has been used by many organizations as a strategy to improve performance of the employees; especially in telecommunication industry, since work related problems can lead to poor quality of life for employees and decline in performance. Patro (2015), in a comparative analysis of welfare measures in public and private sector found that an employee's welfare facility is the key dimension of smooth employer-employee relationship. These welfare services improve the employees' morale and loyalty towards the management thereby increasing their happiness, satisfaction and performance.

A research in different organizations by Patro (2012) identified that the employees are assets of any organization. The needs of the employee must be satisfied in order to meet the goals of the organization. Any organization would be effective only when there is high degree of co-operation between the employees and their management. Meena & Dangayach (2012) analysed the employees' satisfaction of private Sector Banks and Public Sector Banks, Five banks were considered in which three were public sector banks and remaining two were private sector banks. It was found that satisfied employees made positive contributions to the organizational effectiveness and performance. In another study, Gray and Shasky (2007) also using multiple regression analysis examined the impact of strategic HRM practices on the performance of state Governments agencies. The results showed that when organizations employed such personnel practices as internal career ladders, welfare Services like Insurance, Pension, car allowance and result-oriented performance appraisal, employment security. They were more able to achieve their organizational goals and objectives.

The HRM practice adopted during in the process of this study was that of establishing how well the hospital operational system like reward systems, welfare services like Pension schemes, work life balance improved employee performance

Methodology

The study adopted a cross-sectional survey research design and utilized both quantitative and qualitative research approaches that were ideal in collection of data through the instruments of

questionnaires and interview schedules. The Quantitative research approach enhanced the collection of numeric data from a large number of respondents and was also instrumental with pre-set questions and responses, analysis of trends, comparing groups, and relation of variables using statistical analysis. It was also ideal in the interpretation of results by comparing them with previous predictions and past research, and in writing the research report using standard, fixed structures and in taking an objective and unbiased approach. Qualitative research approach on the other hand enabled the exploration of the problem and developed a detailed understanding of a central phenomenon using literature that had been reviewed.

The philosophy that guided the research was positivism philosophy. This is a philosophy that allows the researcher to make various assumptions. Such assumptions may include operating within agreed norms and practices as well as the idea that it is possible to distinguish between more and less plausible claims that science may not provide all the answers, (Kothari, 2009 cited by Midida, 2014).

The target population for the study comprised of 1428 permanent employees of the four level five (5) hospitals in county governments. They were Bungoma referral hospital, Kajiado referral hospital, Kangundo referral hospital, and Kakamega referral hospital. These were initially called District Hospitals. The respondents consisted of the senior management that included the hospital superintendents, Middle management, lower management and general members of staff. According to Fowler (2009), a sampling frame is a complete total list of all the members of the population that the researcher wishes to study hence the total number of respondents that were the source of sampling frame was 1428 drawn from the four (4) county public hospitals selected for the study using simple random sampling. Purposive sampling was used in picking the public hospitals from the four counties for the study. A sample size of 146 employees was therefore selected. The sample was proportionate from the hospitals constituting; Bungoma county hospital (34), Kakamega county hospital (37), Kajiado county hospital (36) and kangundo county hospital (39). This represented 10% of the accessible population that is generally recommended by social researchers (Mugenda & Mugenda, 2003).

Both descriptive and inferential statistical techniques were used to analyse the data (Kombo & Tromp, 2006). Descriptive data was presented in form of mean, percentages and standard deviation. Regression models were fitted and hypothesis testing carried out using multiple regression analysis.

Findings

The main purpose of the study was to investigate the influence of strategic welfare services on employee performance in Level five public hospitals in Kenya.

Strategic Employee Welfare Services

After the implementation of the welfare policy, the level of work improved by 66.55%. This confirmed the views by Okumba (2009), that welfare services are very important to an employee. A well looked after employee holistically will perform better. The authors used parameters represented by: 5=Strongly Agree, 4=Agree, 3 = Neither agree nor disagree, 2=Disagree and 1=Strongly Disagree. The results are as presented in Table 1.

Table 1: Responses on Strategic Employee Welfare Services

Statements	5(%)	4(%)	3(%)	2(%)	1(%)	Mean	Std. Deviation
The Level five hospital provides health services to staff	109(90.8)	6(5.0)	2(1.7)	1(0.8)	0(0.0)	4.89	.429
The level five hospital has partnered with health insurance organizations and hospitals for staff healthcare	56(46.7)	54(43.3)	1(0.8)	1(0.8)	6(5.0)	4.97	5.232
The level five Hospital allows for sick offs and family leave	106(88.3)	11(9.2)	0(0.0)	1(0.8)	0(0.0)	4.88	.396
The Level five hospital has a pension scheme facility for its staff	83(69.1)	26(21.7)	1(0.8)	2(1.7)	6(5.0)	4.93	4.753
The hospital gives family and maternity leave to its staff	101(84.2)	17(14.2)	0(0.0)	0(0.0)	0(0.0)	4.86	.353

N=120

According to the study findings in Table 1, the respondents strongly agreed that the county hospital provides health services to staff (M=4.89; SD=0.429); partnership of county hospitals with health insurance organizations had (M=4.97; SD=5.232). Hospital allows for sick offs and family leave had (M=4.88; SD=0.396). The hospital has a pension scheme facility for its staff (M=4.93; SD=4.753). The researcher also found out that county hospitals had some welfare programs/services in place. The study therefore established that 33.3% health insurance was offered to the county employees, 44.4 % indicated that recreational facilities were at the county hospitals, 13.0% indicated that pooled car for staff use as transport was available at the county hospitals and 9.3% confirmed that the county hospitals had subsidized loans for staff. The study also established that staff wanted the hospitals to adopt some welfare services that could improve employee performance. Majority of employees 55.4 % were of the opinion that the county hospitals introduce work life balance that will cater for employee welfare in a holistic manner, followed by employee pick up transport with 20.5 % and employee assistance programmes with 18.1% and the least 6.1% was clubs. Overall, from the above measurements in Table 1, we can conclude that indicators used to operationalize the variables had an approximate average mean of 5.00. This meant that most respondents strongly agreed that the county hospitals had welfare services in place.

Employee Performance

The findings presented in table 2 indicated that staff turnover was highest rated among employees as majority 83(70.3%) strongly agreed that employees in the respective hospitals were leaving their jobs to look for greener pastures elsewhere. However, some 34(28.8) pointed out that the quality of work provided by the employees in the hospitals was exceptional with 33(28.0%) strongly agreeing that customer feedback reports indicated positive results about the employee's services. Those who expressed satisfaction with their day to day responsibilities and activities, efficiency of services to customers and the customers being happy about their exemplary service and job satisfaction accounted for 32(27.1%) respondents strongly agreeing to the statements.

Table 2: Responses on Employee Performance

Statements	5 (%)	4 (%)	3 (%)	2 (%)	1 (%)	Mean	Std. Deviation
Staff turnover has decreased in this hospital due to efficient use of human resource practices that motivate, us in this hospital.	21(17.5)	2(1.7)	0(0.0)	0(0.0)	95(80.5)	1.60	1.234
Employees in this hospital are leaving their jobs to look for greener pastures elsewhere	83(70.3)	0(0.0)	0(0.0)	3(2.5)	32(27.1)	3.14	1.346
The customer feedback reports indicate positive results about the employee's services	33(28.0)	0(0.0)	0(0.0)	2(1.7)	83(70.3)	1.86	1.348
The employees in this hospital are satisfied with their day to day responsibilities and activities	32(27.1)	0(0.0)	0(0.0)	4(3.4)	82(69.5)	1.85	1.331
The employees' attitude towards work has improved	29(24.6)	0(0.0)	0(0.0)	6(5.1)	83(70.3)	1.79	1.287
The quality of work provided by the employees in this hospital is exceptional	34(28.8)	0(0.0)	0(0.0)	5(4.2)	79(66.9)	1.91	1.352
Employees in this hospital provide efficient services to their customers and the customers are very happy about this exemplary service	32(27.1)	0(0.0)	0(0.0)	7(5.9)	79(66.9)	1.87	1.324
I am satisfied with my job position and the responsibilities that I perform in this hospital	32(27.1)	0(0.0)	0(0.0)	0(0.0)	86(72.9)	1.81	1.339
N=120							

Inferential Statistics

Inferential statistics was used to make inferences from the data to more general conditions. With inferential statistics, we try to reach conclusions that extend beyond our immediate data alone. For instance, we use inferential statistics to try to infer from the sample data what the population might think. Hypothesis testing (using *P*-values) and point estimation (using confidence intervals) are two concepts of inferential statistics that help in making inference about population from samples. The reason for calculating an inferential statistic is to get a *p*-value (*p* = probability). The *p* value is the probability that the samples are from the same population with regard to the dependent variable (outcome) (Creswell, 2010).

Correlation Analysis

The results of correlation analysis are as shown in Table 7. There was strong positive and significant relationship between strategic employee welfare services and employee performance. With a Pearson correlation coefficient $r=0.648$, *p*-value <0.05 which was significant at 0.05 level of significance. This indicates that highly developed strategic employee welfare services lead to improved employee performance.

Testing of Hypotheses

This section of the report provides information about testing of the research hypothesis. Strategic Employee Welfare Services is SEWS, and Employee Performance is EP. The hypothesis is tested at 95% confidence level.

H0₁ Strategic Employee Welfare Services has a positive significant influence on employee performance in the health sector in Kenya.

Table 3: Model Summary for Employee welfare services

Model	R	R Square	Adjusted R Square
1	.930	.865	.864

From findings in Table 3, the value of R-Square is 0.865. This implies that, 86.5% of variation of employee performance was explained by employee welfare services.

Table 4: ANOVA Employee Welfare Services

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1880.886	1	1880.886	738.924	.000
	Residual	292.725	115	2.545		
	Total	2173.611	116			

a. Dependent Variable: EP, b. Predictors: SEWS

From the findings in table 4 at 0.05 level of significance, the ANOVA test indicated that in this model the independent variable; employee welfare services; is important in predicting of employee performance as indicated by significance value=0.000 which is less than 0.05 level of significance ($p=0.000<0.05$).

Table 5: Coefficients for Employee Welfare Services

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients Beta		
1	(Constant)	3.505	.417		8.405	.000
	SEWS	.793	.028	.932	28.118	.040

a. Dependent Variable: EP

From Table 5; the study revealed that strategic employee welfare services had a significant influence on employee performance in the health sector in Kenya ($t=28.118$, $p=0.040<0.05$). Therefore, at 0.05 level of significance the null hypothesis was not rejected, indicating that strategic employee welfare services had a positive influence on employee performance in the health sector in Kenya. Likewise, for every unit increase in strategic employee welfare services there was a corresponding increase in employee performance by 0.793.

Table 6: Model coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.239	.886		3.657	.000
	SEWS	.144	.082	.161	1.755	.082

From the findings in Table 6 above; at 0.05 level of significance, employee welfare services was a not significant predictor of employee performance at County Hospitals in Kenya where ($p=0.082<0.05$)

Moderated Multiple Linear Regression

H02 Human resource management professional's Act has significant moderating influence on Strategic Employee Welfare Services and Employee Performance in the Health Sector in Kenya.

Table 7: Moderated Model ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.	R-Squared
1	Regression	25.561	5	5.112	3.569	.005	0.628
	Residual	163.304	114	1.432			
	Total	188.865	119				

a. Dependent Variable: EP

b. Predictors: (Constant), SEWSMOD

The ANOVA test is used to determine whether the model is important in predicting the Organizational performance. At 0.05 level of significance the ANOVA test indicated that in this model that the independent variables namely; strategic employee welfare services, Human Resource Management Professional Act is the moderating variable were predictors of Employee Performance as indicated by significance value=0.005 which is less than 0.05 level of significance ($p=0.005<0.05$).

Table 8: Moderated Model Coefficients

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.260	.417		7.817	.000
	SEWSMOD	.043	.022	.243	1.999	.048

From the findings in Table 8 above; at 0.05 level of significance, moderated strategic employee welfare services was a significant predictor of employee performance of health sector in Kenya where ($p=0.048<0.05$).

Discussion

The study findings revealed that strategic employee welfare services had a significant influence on employee performance in health sector in Kenya. The null hypothesis was not rejected, indicating that strategic employee welfare services had a positive influence on employee performance in the health sector in Kenya. Likewise, for every unit increase in strategic employee welfare services there was a corresponding increase in employee performance. There was strong positive and significant relationship between strategic employee welfare services and employee performance. This indicates that improved strategic employee welfare services lead to improved employee performance. Majority of the respondents agreed that welfare services had a positive significant influence on employee performance in the health sector. They also noted that Welfare services encompass a desirable state of existence involving physical, mental, moral and emotional well-being of an employee. The respondents interviewed agreed that there existed a policy that catered for employees and that it included; housing, transport, medical insurance, pension schemes, family leave and canteens, sick days, child care programs wellness programmes monitoring working conditions.

These services when implemented well enabled employees to perform better at their workstations in the hospital. This is supported by Stratton (2009), who indicated that those welfare facilities and services, improved employee performance and that Child care programs helped attract and retain employees that had young children. The study by Okumbe (2010) also supports this by intimating that organizations that put in place child-care centers within their premises, minimize stress that is brought about by rearing and immensely increases productivity. Majority of the interviewed respondents agreed that medical insurance coverage was one of the welfare services that improved employee performance. Due to the high cost of hospitalization, surgical and maternity care, it had become necessary that employees be cushioned against these costs putting in place Medical insurance and that employees covered medically be insurance satisfied with their service being translated into effective performance. This is supported by a comparative study carried out by (Masinde, 2011), on the effects of social welfare facilities on employee motivation and performance in Pan African Paper Mills and Mumias Sugar Company. The study affirmed that a relationship existed between welfare services and employee performance, and that employees whose welfare was catered for performed better with minimum stress.

The findings also established a good linear relationship between employee welfare programs and employee performance this conforms to Mwiti's (2007) findings who established a good linear relationship between welfare programs and employee performance. Similarly, Priti (2009) elucidates that employee welfare programs foster employee performance by increasing employees' efficiency and productivity. From the findings, almost all the interviewed respondents were of the view that employees were satisfied at their work when government provided pension scheme. As a result, the interviewees agreed that the provision of pension scheme boosted work motivation levels that enhanced performance principle of making workers give their loyal services ungrudgingly in genuine spirit of co-operation.

A high level of quality work is very key if the health sector need to continue to attract and retain its workforce and customers. Quality of work means satisfaction of the workforce and customers needs through resources, activities and outcomes that arise from involvement in the workplace. From the respondents interviewed, employee performance in the hospitals was generally wanting, the quality of work was poor. This was attributed to poor internal promotion structure that was not catering for the staff. Staff viewed promotion as a reward that offers higher payment.

This is supported by Normala (2009), who indicated that the key constituents of quality of work comes from higher payment, job security, good and strategic welfare services (pension schemes, insurance, maternal leave, work life balance) better rewards, growth opportunity and participation, and any organization that does not provide the above experiences poor quality of work. From the respondents interviewed, the study found out that some health sector is one institution that is expanding in the area of technology. Devolved medical services were to act as a further booster in strengthening health care services across the country allowing each county to address its unique challenges. However, from the respondents interviewed, this has failed as the counties are unable to meet the demand for better remuneration and improved terms of service which eventually leads to strikes that cause deaths. The respondents interviewed revealed that there was a problem in the county hospitals that need to be addressed urgently in order to improve employee performance. Some respondents mentioned lack of medical stores, poor staff and working conditions, poor remuneration, poor internal promotions that are skewed and theft of drugs.

Human capital in the health sector was very important and so they should be taken care of holistically to offer better performance in this sector regarded as the backbone of a functional economy. This is supported by Sivakumaran (2013), who indicated that technological advancement cannot work alone without manpower in hospitals. He also noted that latest modern technologies cannot substitute the contribution made by specialized manpower in the healthcare industry. He noted also that shortage, of workforce, training and retention of employees managing young staff and accountability are very important.

Data reveal absence of protection against occupation hazards (health and safety facilities), for which the discussants said they would not be committed to duty. Nwachukwu (2007), reiterates that to induce workers towards efficiency and high productivity, or performance the employer must ensure that the environment in which employees work must be free/safe from hazard. According to Cowling and Mailer (1992), the right to enjoy health and safety is within the frame work of welfare. Similarly, the right of employees to health and safety at work is one of the basic principles of the Labour Code responsibly/keeping) and negligence of which prima facie suggests the expediency for a limit in commitment to a job and an increase in risk of easy exposure to occupational hazards, hence impacting on work performance. Most discussants decried the absence risk allowance, work overload which resulted in stress that impacted on their performance.

Majority of the respondents interviewed attributed the poor employee performance to the way the health sector was devolved. The set process was that devolution in the health sector would take three years but as it were it was devolved fairly quickly and everything was sent to the county governments without proper structures. They also added that this has become a weakness in the devolution as structures were not available to absorb these decisions that included taking care of the human resource in the health sector in these county hospitals. Majority of respondents interviewed emphasized that there was need for the Kenya Medical Practitioners, Pharmacists, Dentists Union (KMPPDU) and Kenya National Union of Nurses (KNUN) to be represented in the County Service Board so as to enhance the service delivery at the county hospitals. They also emphasized that the county health sector be led by a qualified person with medical background who understands the sector very well. They further intimated that they preferred going back to the central government rather than the county.

Conclusions and Recommendations

Conclusions

From the study, the authors drew the following conclusions; Health workers are dissatisfied with their job. Welfare services are influential factors that affect job performance of employees in Level Five Public Hospitals in Kenya. As a result, employees should be given satisfactory conditions of employment, and also provided fairly for their requirement for positive results on their performance. This concurs with the social exchange theory which proposes that employees exhibit positive or negative behavior as a response to the treatment they receive from their employers. It can be concluded that employee welfare programs have a significant positive correlation with perceived employee performance. The dimensions of employee welfare especially provision of pension schemes education/training and others are indicative of influences of welfare programs satisfaction which leads to improved employee performance. There is evidence that wages and working conditions and also other policy elements, such as retirement schemes, flexible scheduling and safety health services contributes a great deal to service delivery. If this are catered for it will lead to improved performance of an organization. Variety of welfare services such as flexible scheduling of working hours, health insurance, risk allowance, safety and health in the workplace, are great contributor to performance.

Policy Recommendations

Ministry of Health should provide a favorable working environment for staff in all levels of hospitals in the government, and develop appropriate policies to inform management and leadership. The National HRH Strategic Plan should be widely disseminated and operationalized since it will greatly contribute towards better management of the workforce in the health sector in Kenya. The government addresses the issue of delinking. This will help the Health workforce know whom they are reporting to whether county executives or the National government. Since Health sector is one of the pillars of vision 2030 the government should provide enough funds

Areas for Further Research

Investigations should be done on other factors which influence employee performance for example, environmental factors like infrastructure, facilities and location. Other scholars could also evaluate external factors that influence employee performance in the level five public hospitals in Kenya. A study could be carried out in both public and private hospitals to generalize what influences employee performance. Hospital service delivery required strong governance, appropriate financing, a functional supply chain, sufficient commodities, accessible health facilities and an adequate and strong health workforce. The aim is a robust health system through which the health workforce could deliver quality service to patient care.

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