



INFLUENCE OF PERFORMANCE EVALUATION PRACTICES ON CREATIVE GOVERNANCE SUCCESS IN PUBLIC HOSPITALS IN KENYA

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ABSTRACT

This study determined the influence of performance evaluation practices on creative governance success in Tier four public hospitals in Kenya. The study used quantitative approach to data collection and analysis and adopted a descriptive correlation research design. As such, the study targeted five managerial/Administrative officers in each of the 14 tier four hospitals in Kenya; with additional six Mid-level employees from each hospital to take care of attrition and information validity given the busy hospital schedules). A census survey of 200 respondents was used. Response rate was good with 157 respondents participating. A Questionnaire was used as the research instrument. The reliability of the study instruments was tested yielding an acceptable reliability coefficient 0.7; and the validity was ensured by consulting experts. The background information was analyzed using descriptive statistics such as means, standard deviations, frequencies and percentages. The hypothesis testing was done using linear regression analysis. Performance evaluation practices measured studied using indicators such as establishment of performance management systems, holding regular performance evaluation periods, establishing models/procedures to meet performance evaluation goals, data collection & analysis on performance evaluation and monitoring to measure change after evaluation intervention. On the other hand, creative governance success measures were constructed to include: innovative ideas/products, creative designs of processes, learning new skills, attainment of organization goals, motivated staff and satisfied clients. Results reviewed existence of creative governance with its latent variables varying considerably. The tested hypothesis showed a significant correlation coefficient of $r = 0.520$; $p = 0.00$. Observation from the regression analysis, showed that performance evaluation practices have a significant influence ($Beta = 0.564$; $p = 0.00$) on creative governance success. The study results inform Hospital managers on the need to commit and expand performance evaluation practices so that the hospitals may reap the benefits of creative governance; of which leads to superior delivery of services to patients.

Key Words: Performance Evaluation, Performance Management System, Performance Evaluation Procedures, Creative Governance

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INTRODUCTION

World over, there is undisputed wisdom that quality health care can be enhanced by performance management. Different world organizations have studied world health status and have emphasized the need for quality in service offerings. For instance, the World Health Organization (2011) report indicated the need of progressing towards all-inclusive health requires flexible working health systems, equitable financing and fit for providing quality focused health services. Pan American Health Organization (2014) reported that Solid health frameworks require proper infrastructures, safe pharmaceuticals; qualified professionals sufficient in numbers and well-coordinated healthcare service systems. According to Lynch (2015), Performance evaluation practices are part of performance management system that reflect a managerial belief that well-managed health systems lead to the good use of public resources. Despite this presumption, there exists varying approaches to performance evaluation practices. Nevertheless, Health system performance measurement methodologies are believed to contribute to greater overall accountability and improved stewardship over scarce healthcare resources.

In Kenya, the Government recognizes that good health is a critical pillar in ensuring individual, household, a community's and a country's prosperity (Government of Kenya [GoK], 1994). According to Kimalu *et al.* (2006), the GoK has given high priority to improvement of health status of Kenyans through recognition that good health is a prerequisite to socio-economic development. Following the release of the World Development Reports 'Investing in Health' in 1993, there was shift of health policy towards reforming institutions and structures and orienting healthcare services to the market (Oyaya & Rifkin, 2003). In November 1994 the GoK came up with a long term plan, the Kenya Health Policy Framework (1994-2010). This fifteen-year plan was dedicated to the health sector and particularly in investment in health (GoK, 1994). The KHPF of 1994 concentrated on decentralizing support from the government to the district level and reinforcing the district as the stage of delivery and improvement of health services (Health Systems Trust, 2017). Under this policy plan, GoK formulated and implemented the National Health Sector Strategic Plan (NHSSP) which ran from 1994 to 2010. According to GoK (2013) report, Kenya

reported challenges and did not meet Millenium Development Goals (MDGs) among them MDG number 4, 5 and 6 that were related to health.

The shortfalls in healthcare delivery services compelled Kenyans to demand for better services through the enactment of the Constitution of Kenya 2010. Article 43 of Constitution of Kenya 2010 makes it a fundamental right for Kenyans to access the highest attainable standards of health care services (GoK, 2010). The GoK has included health sector under the social strategy in its long term plan, Vision 2030 Strategic Plan, which runs from 2008 to 2030 (GoK, 2007b). In line with Vision 2030 Strategic Plan, the GoK has developed Kenya Health Policy 2014-2030 which is a specific health sector centered long term plan (GoK, 2014a). According to the United Nations Development Programme (2016), Kenya has committed to full implementation of Sustainable Development Goals (SDGs). In the devolved system of government in Kenya, the national government is involved in health policy and strategy formulation and tasks county governments through their health facilities to implement the policies (Murkomen, 2012).

In spite of the above-mentioned efforts to develop healthcare, Kenya's public health sector has persistent to face challenges in governance and in operational service delivery (Opon, 2016; Mutinda, 2017). In the recent past, there has been public outcry for improvement in healthcare following incidents of malpractices and strikes in public hospitals. Evident, is a persistent migration trend of middle and upper socio-economic status clients opting for private hospital services leaving the poor Kenyans to cope with the deplorable situation of public hospitals. Despite the government and county investment towards improvement of these hospitals, dissatisfaction of clients with the quality of services still persists (Mugo *et al* 2018). One way to check into issues underlying this client dissatisfaction is to do performance evaluation to check into the healthcare system with data based evidence; as well as to establish the governance approach which can be another source of hospital management dysfunction. Therefore this study focused on influence of performance evaluation practices on Creative governance success among selected public hospitals in Kenya.

Statement of the Problem

Creative governance success has been associated with broad outcomes such as effective service delivery, use of innovative ideas in problem solving and establishment of products and systems that bring satisfaction to prospective clients (OECD, 2017). Managers, as key internal actors are in position to steer organizations to great performance and success using this concept. On the other hand performance evaluation practices act as measures to ensure implementation of creative governance goals. As such how performance evaluation practices influence creative governance success is a subject this study sets out to investigate particularly in the context of public health sector in Kenya.

Previous studies have focused on performance management and employee productivity (Nabangala, & Amuhaya, (2020); Aminu,2019), performance contracting and organizational performance (Kago, (2014; Letangule, & Letting, (2012; Nyaigo, Omari, Onyango, & Yobes, (2013; Diallo, (2017), performance appraisal and employee productivity (Onyije, (2015); Selvarasu, & Sastry, (2014); Zayum, Aule,& Hangeior, (2017). Other studies focused on different factors influencing implementation of performance management systems and organizational effectiveness outcomes (Fareed, Ul Abidan, Shahzad, Amen, & Lodhi, (2013; Chelangat, & Gachunga, (2016); .Aminu, (2019), Amah, Nwuche, & Chukuigwe, (2013). Teo, & Low, (2016). Mutwiri, Mwangi & Edwin 2021 established influence of human resource management practices (training and performance management practices) on the performance of health workers in Kiambu county, Kenya. Clearly, Performance evaluation practices have received attention from scholars and management practitioners in the past; however, linkage of these practices with the topical issue of creative governance success, has not received focus.

Contextually, Kenya's' public hospitals have been in limelight due to unsatisfactory services in delivery of health as a public good (Mutinda, 2017). The study analyzed the performance evaluation practices and how they influence creative governance success among tier four hospitals in Kenya since they offer comprehensive health services. Thus, the study anticipates making a contribution towards improvement of health care services through performance evaluation practices

and creative management. Further the study may lead to improvement of health care management towards creative governance approach. The study outcome may have implications for policy review on healthcare management an add on in pursuit for implementation of human rights declarations and sustainable development goals especially on the need to reduce human suffering and improve quality of lives for sustainable social and economic development.

Objective of the Study

The main objective of this study was to determine the influence of performance evaluation practices on creative governance success in public health care sector.

The Specific study objective was to examine the influence of performance evaluation practices on creative governance success in Tier four public hospitals in Kenya

Study Hypotheses

H0₁: Performance evaluation practices have no influence on creative governance success

REVIEW OF LITERATURE

Theoretical Review

The understanding of study variables in this paper is informed by theories in performance evaluation and creative governance.

Theories of Performance Evaluation

Performance evaluation practice concept is derived from the performance management which is informed by two theories: Goal setting theory and expectancy theory. **Goal setting theory** was proposed by Edwin Locke in the year 1968. This theory posits that the individual goals established by an employee play a vital role in motivation for superior performance. Goal setting theory posits that several conditions are particularly central in successful goal achievement. These include goal acceptance and commitment, goal specificity, goal difficulty, and feedback (Latham, 2006). Based on the information of the goal setting theory, the setting of goals in the improvement of performance management system is of significance as it describes the standards at which performance will be measured and leads to higher performance (Dessler, 2009). Performance evaluation practices should entail well set system with measurable

targets (Graeme et al, 2005); Nabangala, & Amuhaya (2020).

Expectancy theory was developed by Victor Vroom in 1964 s and later extended and refined by Porter and Lawler (1968). Expectancy theory is a cognitive process theory of motivation that is grounded on the idea that the performance of employees is hanged on the rewards they expect to draw from their performance (Torrington, 2009). It is based on the premise that individuals change their performance in the organization based on expected satisfaction of their set goals. The theory suggests that motivation entail three key elements: expectancy, instrumentality, and valence (Vroom, 1964). A person is motivated to the degree that he or she trusts that; effort will lead to acceptable performance (expectancy), performance will be rewarded (instrumentality), the value of the rewards is greatly positive (valence) (Torrington, 2009). An effective performance management system will have elements that advance the three variables (effort, outcome and rewards). This theory explains the concept of performance management and evaluation practice as it is assumed that performance is subjective to the future prospects of an occurrence (Nyaga et al 2016); Nabangala, & Amuhaya, (2020).

Finally, the idea of **creative governance success** in this study is explained by the work of Csikszentmihalyi (1996) in his theory of creativity flow whereby the focus is on the interplay among the creative person (the individual), the domain (the discipline) and the field (the experts/gatekeepers). The individual is the innovation manager, the domain is the discipline of creativity, and the field is comprised of the gatekeepers. For instance, CEOs make decisions which either allow or inhibit individual and/or group innovation. In relation to this study, hospital managers/administrators have the capacity to use creativity in decision making that may lead to innovation in provision of healthcare services.

Empirical Review

Influence of Performance Evaluation Practices on Creative Governance Success

Empirical evidence points to little evidence of studies relating performance evaluation practices and Creative governance success. Previous studies have focused on performance management and employee productivity (Nabangala, & Amuhaya,

2020; Zayum et al 2017), performance contracting and organizational performance (Kago, 2014; Letangule, & Letting, 2012; Nyaigo, Omari, Onyango, & Yobes, 2013; Diallo, 2017), performance appraisal and employee productivity (Onyije, 2015; Selvarasu, & Sastry, 2014; Zayum, Aule,& Hangeior, 2017). Other studies focused on different factors influencing implementation of performance management systems and organizational effectiveness outcomes (Fareed, Ul Abidan, Shahzad, Amen, & Lodhi, (2013; Chelangat, & Gachunga, 2016; .Aminu, 2019, Amah, Nwuche, & Chukuigwe, 2013; Teo, & Low, 2016). Mutwiri, Mwangi & Edwin 2021 established influence of human resource management practices (training and performance management practices) on the performance of health workers in Kiambu County. Generally, research relating performance evaluation practices and creative governance has not received much attention. It is against this backdrop that this study focused on influence of performance evaluation practices on creative governance success. This study focused on performance evaluation practices that entail: establishing performance management systems, holding regular performance evaluation periods, establishing Models/procedures to meet performance evaluation goals, data collection & analysis in performance evaluation and monitoring to measure change after evaluation intervention.

Establishing Performance Management Systems

Performance management systems can be defined by interrelated and independent performance management elements that influence one another to increase employee and organizational performance in order to ultimately enhance organizational effectiveness (Ricci 2016). The purpose of a performance management system reflects the main objectives and guiding principles an organization has for the system to help it gain a competitive advantage (Dewettinck, 2008). Most commonly, organizations use performance management systems for three main purposes: to achieve results, develop employees, or accomplish administrative purposes.

Performance management systems are established as a way to manage performance of employees. Performance management involves managing employee efforts, based on measured performance outcomes. Therefore, determining what constitutes good performance and how the different aspects of

high performance can be measured is critical to the design of an effective performance management process (Mulwa & Weru 2017). Macky and Johnson, (2000) elaborates that “performance management system is a kind of completed and integrated cycle for performance management. Performance management comprises of activities such as continuous progress evaluation of a worker’s performance (performance appraisal), continuous communication of performance (communication and feedback), performance measurement (performance monitoring), and performance contracting (Ainobushoborozi, 2013; Aksoy & Bayazit, 2014; Sahoo and Mishra, 2012). The emphasis of performance management systems is on continuously improving organizational performance, and this is achieved through improved individual employee performance”. Performance management effectiveness increases when there is ongoing feedback, behavior-based measures are used and preset goals and trained raters are employed (Lawler, 2003)

A well-established performance management system entails a number of characteristics (Ricci, 2016). First is the purpose of the performance management system which may be Result oriented, development oriented or for administrative purpose. Secondly, is the performance measures which entail task performance, contextual performance or achievement of set goals. More so performance management system has activities that include communication of feedback, coaching, goal setting, recognition, identification of training need as well as individual development plans. Finally performance management system will have a structure that points to the number of performance reviews, goal alignment, link between performance management and reward systems, number of sources of feedback and participative decision making.

Previous research has investigated the impact performance management systems on perceived effectiveness of the system. Dewettinck and Dijk (2013) revealed that employees were more likely to perceive their performance management system to be effective if its main purpose was to improve employees’ ability to monitor, evaluate, and adjust their own performance (development-oriented), compared to laying out clear and challenging goals to help employees perform well (results oriented). Dewettinck (2008) found similar findings, in that

human resource professionals reported development oriented performance management systems to be effective at increasing employee motivation and competency levels.

Limited research has examined the impact of administrative purposes on perceived performance management system effectiveness. Lawler (2003) found that survey respondents from 55 Fortune 500 companies, most of whom held positions in human resources, perceived performance management systems to be effective if they helped identify the lowest performing employees for termination. Scarce research has been dedicated to studying the relationship between performance measures and perceived effectiveness of performance management systems. Collins-Camargo, Chuang, McBeath, and Bungler (2014) found that the presence of relevant performance measures made agency directors of non-profits more likely to perceive their performance management system to be effective. This demonstrates that performance should be evaluated with the use of appropriate performance measures that relate directly to the desired outcomes of the job and how these impact on overall organization performance.

Holding Regular Performance evaluation periods

In previous research a variety of performance management system characteristics have been examined that focus on the design and structure of performance management systems, including the number of formal performance reviews, the number of informal performance reviews, the presence of a clear link between the performance management system and the reward system, the number of sources for performance feedback, and the presence of participative decision making. Dewettinck and Dijk (2013) uncovered that the more planned (formal) and unplanned (informal) discussions managers had with their subordinates about their performance, the more likely these subordinates perceived the system to be effective. Linking the performance management system and the rewards system is thought to be effective as employees are more likely to display high levels of performance if rewards are tied to performance (Lawler, 2003).

Performance management systems can be designed to allow for employee participation in performance or development decisions and performance evaluation discussions. Dewettinck and Dijk (2013)

revealed that the more employees participated in the performance management system, the more likely they were to perceive the system to be effective. Employee creativity greatly influences employee productivity since they are able to come up with novel ideas that are beneficial to the organization (Gong et al 2013). These innovative ideas include developing new procedures or processes for completing tasks, or pinpointing products or services that increase customer satisfaction (Zhou, 1998; Zhou & Shalley, 2003). Innovative ideas may also include reviewing existing procedures or processes to enhance institutional efficiency and effectiveness. When employees use creative ideas to improve their work processes, it results in the improvement of the whole institution (Shalley *et al.*, 2004).

Although a number of studies have examined the relationship between structural performance management system characteristics and perceived effectiveness of the system, no studies have examined influence of performance evaluation practices and creative governance success.

Establishing Models/procedures to Meet Performance Evaluation Goals

Establishing of performance evaluation models or procedures is about establishing a structure for the performance evaluation system. Structural characteristics of performance management systems include the number of formal performance reviews, the number of informal performance reviews, goal alignment, the presence of a clear link between the performance management system and the organization's rewards system, sources of feedback, and participative decision making (Dewettinck & Dijk, 2013)

In an attempt to monitor and measure both employees and organizations performance organizations have in the recent past embraced practices like results based management, management by objectives, total quality management and balanced score card. Others have tagged performance management systems to development and administrative purposes. (Ricci, 2016; Ntanos. & Boulouta, 2012; Shaout, & Yousif, 2014) According to Lachmann *et al* (2016), various types of measures are primarily affected by regulatory pressures, while powerful internal actors considerably influence the linkage

between these measures and compensation and organization outcomes.

Waweru, (2015) in his research on effects of specificity on employee performance, a case study of Water and Sanitation Companies in Nyeri County, Kenya, established that specificity of work was crucial, and that managers should improve mechanisms on specificity as it is directly linked to employees' performance. Further, Griggs, (2009) revealed that specificity of work is paramount and has a positive and significant effect on employees' performance. Also, Waal (2003) established that, if an organization does not provide guidance and direction to its employees on how to attain objectives, it becomes difficult for the organization to achieve the strategic purpose. He further stated that, if the performance management system does not point out the issues with an employee's performance, it would not be possible to rectify them. Pfeifer (2009) further supports this view and highlights that managers must provide guidance to their employees on how to attain their performance expectations by acting as models. Performance contracting is a system that has been adopted by most parastatals and public sector organizations in general as a best practice method. It guides and directs employees to set targets to which they are bound by.

Performance contracting is another core activity that makes up performance management. Diallo (2017) explored on how performance contracting affect employee's motivation in selected public media companies in Senegal (Senegalese Radio Television, and Senegalese Press Agency). Analysis revealed that Performance Contracting is significant on employee's motivation. According to Ouma and Karanja (2018), performance contracting involves setting of targets with regard to availability of production resources. However, researchers like Amah, Nwuche and Chukuigwe (2013) argue that the success of organizations to a very large extent depends on the type of targets organizations set and how well they are able to lead teams to achieve the set targets. Indeed Ouma and Karanja (2018) equally established in a study done in Kenya that employee motivation, employee training, legal framework as well as monitoring and evaluation were important factors that needed to be applied to enhance implementation of performance contracts. It is emerging thus that performance contracting may not obviously lead to employee

productivity: moderating circumstances in the context must also be put into consideration. The foregoing studies adduce evidence that PM practices have influence on employee productivity albeit the same is contextual based. However, most of the studies covering such practices have tended to relate the same with employee satisfaction. It is also critical to note that studies on PM that have been done in Kenya have tended to focus on individual practices or activities. Effects of performance appraisal practices; employee monitoring; communication and feedback and performance contracting have been focused upon in research (Munguti & Kanyanjua, 2017; Kanaslan & Iyem, 2016; Kago, 2014; Ouma & Karanja, 2018). However, PM systems in its entirety have not been focused upon to reveal the actual practices whose implementation has led to improved employee productivity particularly among public hospitals.

Data Collection & Analysis in Performance Evaluation

Data collection and analysis are critical practices in performance management systems, since they entail the activities of information gathering, analysis and interpretation so as to give performance valuation feedback and recognition. Another structural characteristic of performance management systems is the sources organizations use to collect performance data. Performance management systems can use either single source or multi-source feedback. Single-source performance feedback is collected from a single source, typically a primary supervisor. Multi-source performance feedback, on the other hand, is collected by a combination of multiple sources, including subordinates, peers, superiors, and external sources (Brutus & Brassard 2005; Brutus & Gosselin 2007; as cited by Haines & St-Onge, 2012).

Nabangala and Amuhaya (2020) reason that performance appraisal should be done by use of ranking methods, behaviorally anchored rating scales as well as rating scales; whereas performance outcome should be shared through communication, feedback and coaching. Within performance management systems, organizations can use a range of activities designed to improve employee performance. Some activities include clearly communicating performance expectations to employees and informing employees why their performance efforts are important to organizational effectiveness (Biron *et al.*, 2011). Performance

management activities also include providing coaching, feedback, recognition, goal setting, identification of training needs, construction of development plans, and career planning.

Waal, (2009) opines that, performance management systems that rely on evaluating only those work behaviors defined by the organization as related to a specific job may exhibit validity deficiency error. Acas, (2005) asserts that, to correct this measurement error, role theory suggests that performance management systems need to account for multiple roles at work when evaluating employee performance. On the other hand, Roberts (2003) indicated that, inconsistent reliability of the PMS can lead to mistrust, lower productivity and higher attrition in employees, especially when the employees feel that their good performance is unobservable by the rater. Berry (2003) positions that; evidence seems to indicate that most subjective supervisory measures of job performance exhibit low reliability. To prevent reliability issue, he recommends performance standards be written in a way that will make them measurable.

Monitoring to Measure Change after evaluation intervention

Today's business environment has been made complex by the ever increasing global mobility, existence of virtual organizations, regular business re-engineering endeavors, emergence of a highly demanding millennial workers and the need for flexible work-life balance. This has posed an enormous challenge on performance management systems which have to be regularly revamped and tailored to capture dynamics like customer's perspective, regulators demands, shareholders views, innovations ability, financial position, monitoring of virtual employees, organizations structural changes amongst similar perspectives.

Monitoring of employee performance is necessary in helping managers to successfully perform the control function of management (Griffin, 2012). Monitoring in the modern times has taken the path of electronic surveillance, paying attention to three key areas including employee performance, use of computer and information technologies and employee behaviors in relation to utilization of resources (Büyük & Ugur, 2012). Inadequate focus seems to be directed at monitoring as a procedure in performance management and employee

productivity. For instance, a study conducted by Ahmed (2007) in Nigeria on analysis of workplace surveillance which was conducted on university employees, established that 66% of the employees were positive about the surveillance, while 33% were intrusive and had a negative appeal on the monitoring practices. Gichuhi, Ngari and Senaji (2016) analyzed the relationship between CCTV surveillance and employees' engagement in commercial banks in Kenya. They found that there is a positive correlation between CCTV monitoring and employees' engagement.

According to Bartz (2017), communication, feedback, and coaching should be initiated by every manager to ensure effective performance appraisal. Attending, reflecting, exploring, self-disclosure, and acceptance are some of the practices that create effective verbal communication (Bartz, Thompson, & Rice, 2017). Communication and feedback of employee performance has however received inadequate attention. Thus, contradicting the role of communication as a tool for performance management. Asamu (2014) examined the significant relationship between communication and workers' performance in some selected organizations in Lagos, Nigeria. The result revealed that a relationship exists between effective communication and workers' performance, productivity and commitment. Otoo (2015) investigated the role of effective communication on organizational performance using Ghanaian Revenue Authority (GRA) as a case study. It found that various employees' performance indicators are found to correlate with different measures of effective organizational communication. It is instrumental to notice that both Asamu (2014) and Otoo (2015) did however not focus on communication as a tool for performance management aimed at enhancing employee productivity.

Little prior research has investigated the impact of performance management system activities, such as monitoring and communicating performance expectations to employees; and providing recognition to employees for exceptional performance, on perceived effectiveness of the system. Collins-Camargo *et al.* (2014) found that the more performance standards were clearly

understood by employees, the more likely agency directors perceived their performance management system to be effective. Biron *et al.* (2011) found similar results in interviews with professionals at world-leading firms that practiced communicating performance expectations clearly to employees. Overall, these findings underscore the importance of clearly informing employees of their performance expectations to enhance perceived effectiveness of the performance management system. , additional research must be conducted to further assess the impact employee recognition has on perceived effectiveness of performance management systems. For a performance management process to be considered successfully then the feedback has to prompt and constructive and this should be in line with the set targets (Owino, Oluoch, & Kimemia, 2019).

Recognizing employees for their demonstration of desired behaviors is an activity previous research has investigated to determine if it contributes to perceived effectiveness of a performance management system. Haines and St-Onge (2012) found that employee recognition had a significant and positive relationship with perceived effectiveness of the system, such that the more recognition employees received, the more likely human resource professionals perceived the system to be effective. On the other hand, Haines and St-Onge (2012) found that the use of multi-source feedback did not have a significant relationship with the perceived effectiveness of the system. Monitoring and intervention measures seem to lack candid research relating them with creative governance success outcomes.

Overall, from the broad perspective of performance management practices, performance management systems to appraisal processes; several researches have been done relating these variables to employee productivity as well as organizational performance. However none has related these variables to creative governance, a gap that this study seeks to bridge.

Conceptual Framework

The reviewed theoretical and empirical literature yields hypothesized relationship between study variables as shown in Figure 1.

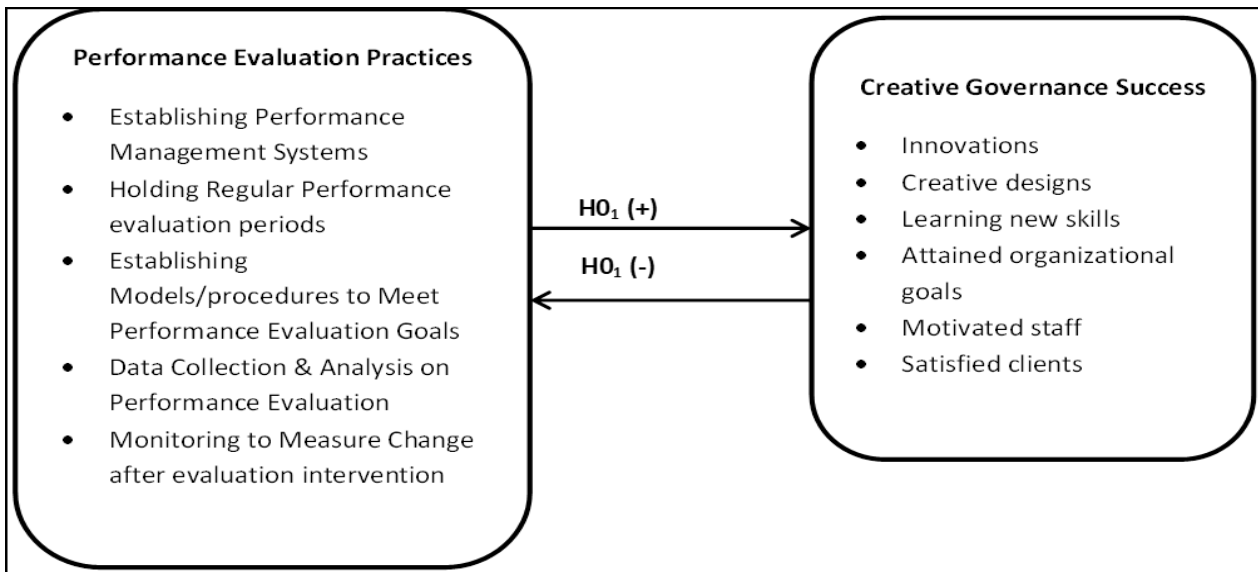


Figure 1: Influence of Performance Evaluation Practices on Creative Governance success.

METHODOLOGY

Descriptive statistics were done to establish existence of identified independent and dependent variables in the tier four public hospitals in Kenya. Results are discussed in this section.

The study sought to investigate the opinion that the hospitals have **established performance management systems**. the findings showed that 3.8% of the respondents disagreed and strongly disagreed with the opinion, 24.2% were neutral on the opinion and 75.8% agreed and strongly agreed with the opinion as shown in the Table 1.

Performance Evaluation Practices

Established performance management systems

Table 1: Established performance management systems

	Frequency	Percent
Disagree	6	3.8
Neutral	32	20.4
Agree	82	52.2
Strongly Agree	37	23.6
Total	157	100.0

Holds regular performance evaluation period

The study investigated the opinion that the hospitals hold **regular performance evaluation period**. The findings showed that 6.5% of the

respondents disagreed and strongly disagreed with the opinion, 19.4% were neutral on the opinion and 74.2% agreed and strongly agreed with the opinion as shown in Table 2.

Table 2: Holds regular performance evaluation period

	Frequency	Percent
Strongly Disagree	1	.6
Disagree	9	5.8
Neutral	30	19.4
Agree	84	54.2
Strongly Agree	31	20.0
Total	155	100.0

Established procedures/models to meet performance evaluation goals

The study assessed the opinion that the hospitals have **established procedures/models to meet performance evaluation goals**. the findings showed

that 5.7% of the respondents disagreed and strongly disagreed with the opinion, 25.5% were neutral on the opinion and 68.8% agreed and strongly agreed with the opinion as shown in the Table 3.

Table 3: Established procedures/models to meet performance evaluation goals

	Frequency	Percent
Strongly Disagree	1	.6
Disagree	8	5.1
Neutral	40	25.5
Agree	75	47.8
Strongly Agree	33	21.0
Total	157	100.0

Regular data collection and analysis on performance evaluation

The study investigated the opinion that the hospitals do **regular data collection and analysis on performance evaluation**. the findings showed that

8.3% of the respondents disagreed and strongly disagreed with the opinion, 23.7% were neutral on the opinion and 67.9% agreed and strongly agreed with the opinion as shown in the Table 4.

Table 4: Regular data collection and analysis on performance evaluation

	Frequency	Percent
Disagree	13	8.3
Neutral	37	23.7
Agree	78	50.0
Strongly Agree	28	17.9
Total	157	100.0

Monitoring to measure change after evaluation intervention

The study sought to investigate the opinion that there is always **monitoring to measure change after evaluation intervention in the hospitals**. the

findings showed that 17.2% of the respondents disagreed and strongly disagreed with the opinion, 35.7% were neutral on the opinion and 47.1% agreed and strongly agreed with the opinion as shown in the Table 5.

Table 5: Always monitoring to measure change after evaluation intervention in my hospital

	Frequency	Percent
Strongly Disagree	2	1.3
Disagree	25	15.9
Neutral	56	35.7
Agree	52	33.1
Strongly Agree	22	14.0
Total	157	100.0

Adoption of IT in performance evaluation practices

The study investigated the opinion that there is **adoption of IT in performance evaluation practices**. the findings showed that 10.3% of the

respondents disagreed and strongly disagreed with the opinion, 24.5% were neutral on the opinion and 65.2% agreed and strongly agreed with the opinion as shown in the Table 6.

Table 6: Adoption of IT in performance evaluation practices

	Frequency	Percent
Strongly Disagree	2	1.3
Disagree	14	9.0
Neutral	38	24.5
Agree	77	49.7
Strongly Agree	24	15.5
Total	155	100.0

Creative Governance Success Measures

Innovation Measures

Indicators

The study examined the opinion that **there are indicators that some new products, processes,**

ideas etc. have been implemented as a result of innovation. the findings showed that 11.5% of the respondents disagreed and strongly disagreed with the opinion, 19.9% were neutral on the opinion and 68.6% agreed and strongly agreed with the opinion as shown in the Table 7.

Table 7: Indicators

	Frequency	Percent
Strongly Disagree	4	2.6
Disagree	14	9.0
Neutral	31	19.9
Agree	75	48.1
Strongly Agree	32	20.5
Total	156	100.0

Forums

Additionally, the study assessed the opinion that **there are forums /meetings where innovation is discussed in the organization.** the findings showed that 16.8% of the respondents disagreed and

strongly disagreed with the opinion, 21.9% were neutral on the opinion and 61.3% agreed and strongly agreed with the opinion as shown in the Table 8.

Table 8: Forums

	Frequency	Percent
Strongly Disagree	5	3.2
Disagree	21	13.5
Neutral	34	21.9
Agree	59	38.1
Strongly Agree	36	23.2
Total	155	100.0

Encouraged Innovation

The study sought to investigate the opinion that **there is evidence that innovation is encouraged in the organizations.** the findings showed that 17.6%

of the respondents disagreed and strongly disagreed with the opinion, 20.9% were neutral on the opinion and 61.4% agreed and strongly agreed with the opinion as shown in the Table 9.

Table 9: There is evidence that innovation is encouraged in the organization

	Frequency	Percent
Strongly Disagree	2	1.3
Disagree	25	16.3
Neutral	32	20.9
Agree	66	43.1
Strongly Agree	28	18.3
Total	153	100.0

Creativity Measures

Evidence

The study examined the opinion that **there is evidence of new products, processes, and ideas as results of creativity**. the findings showed that

11.5% of the respondents disagreed and strongly disagreed with the opinion, 18.6% were neutral on the opinion and 69.9% agreed and strongly agreed with the opinion as shown in the Table 10.

Table 10: There is evidence of new products, processes, ideas etc as results of creativity

	Frequency	Percent
Strongly Disagree	2	1.3
Disagree	16	10.3
Neutral	29	18.6
Agree	83	53.2
Strongly Agree	26	16.7
Total	156	100.0
Total	157	100.0

Forums of Creativity

The study assessed the opinion that **there are forums/meetings where creativity is discussed in the organization**. the findings showed that 14.8% of

the respondents disagreed and strongly disagreed with the opinion, 29.7% were neutral on the opinion and 55.5% agreed and strongly agreed with the opinion as shown in the Table 11.

Table 11: There are forums/meetings where creativity is discussed in the organization.

	Frequency	Percent
Strongly Disagree	4	2.6
Disagree	19	12.3
Neutral	46	29.7
Agree	55	35.5
Strongly Agree	31	20.0
Total	155	100.0

Creative/Imaginative Methods

The study sought to investigate the opinion that **those who come up with creative/imaginative methods, products, processes, ideas are rewarded by the management**. the findings showed that 49%

of the respondents disagreed and strongly disagreed with the opinion, 18.5% were neutral on the opinion and 32.4% agreed and strongly agreed with the opinion as shown in the Table 12.

Table 12: Those who come up with creative/imaginative methods, products, processes, ideas are rewarded by the management.

	Frequency	Percent
Strongly Disagree	28	18.5
Disagree	46	30.5
Neutral	28	18.5
Agree	34	22.5
Strongly Agree	15	9.9
Total	151	100.0

Flexible Work Procedures Measures Loss to Competitors

The study sought to investigate the opinion that **there are instances where some hospitals in the past lost business to competitors due to lack of**

flexible work procedures. the findings showed that 27.1% of the respondents disagreed and strongly disagreed with the opinion, 15.5% were neutral on the opinion and 57.4% agreed and strongly agreed with the opinion as shown in the Table 13.

Table 13: There are instances where the organization has in the past lost business to competitors due to lack of flexible work procedures

	Frequency	Percent
Strongly Disagree	15	9.7
Disagree	27	17.4
Neutral	24	15.5
Agree	57	36.8
Strongly Agree	32	20.6
Total	155	100.0

Flexible work procedures

The study investigated the opinion that **there is evidence that the management has adopted more flexible work procedures.** the findings showed that

21.9% of the respondents disagreed and strongly disagreed with the opinion, 29.7% were neutral on the opinion and 48.3% agreed and strongly agreed with the opinion as shown in the Table 14.

Table 14: There is evidence that the management has adopted more flexible work procedures

	Frequency	Percent
Strongly Disagree	8	5.2
Disagree	26	16.8
Neutral	46	29.7
Agree	52	33.5
Strongly Agree	23	14.8
Total	155	100.0

Regular Reviews

The study examined the opinion that **there are regular reviews of the work procedures in the organization to ensure that the ones in place are efficient.** the findings showed that 20.6% of the

respondents disagreed and strongly disagreed with the opinion, 18.1% were neutral on the opinion and 60.6% agreed and strongly agreed with the opinion as shown in the Table 15.

Table 15: There are regular reviews of the work procedures in the organization to ensure in the organization to ensure that the ones in place are efficient

	Frequency	Percent
Strongly Disagree	4	2.6
Disagree	28	18.1
Neutral	28	18.1
Agree	63	40.6
Strongly Agree	32	20.6
Total	155	100.0

Attainment of Organizational Goals

Quality services to the public

The study sought to investigate the opinion that **hospitals offer quality services to the public**. the findings showed that 5.8% of the respondents

disagreed and strongly disagreed with the opinion, 9.1% were neutral on the opinion and 85% agreed and strongly agreed with the opinion as shown in the Table 16.

Table 16: My hospital offers quality services to the public

	Frequency	Percent
Strongly Disagree	2	1.3
Disagree	7	4.5
Neutral	14	9.1
Agree	71	46.1
Strongly Agree	60	38.9
Total	154	100.0

My hospital offers timely services to the public.

The study assessed the opinion that **hospitals offer timely services to the public**. the findings showed that 11.6% of the respondents disagreed and

strongly disagreed with the opinion, 12.3% were neutral on the opinion and 76.2% agreed and strongly agreed with the opinion as shown in the Table 17.

Table 17: My hospital offers timely services to the public

	Frequency	Percent
Strongly Disagree	4	2.6
Disagree	14	9.0
Neutral	19	12.3
Agree	79	51.0
Strongly Agree	39	25.2
Total	155	100.0

The level of hospital care is excellent

The study sought to investigate the opinion that **the level of hospital care is excellent**. The findings showed that 23.1% of the respondents disagreed

and strongly disagreed with the opinion, 17.3% were neutral on the opinion and 59.6% agreed and strongly agreed with the opinion as shown in the table 18.

Table 18: The level of hospital care is excellent

	Frequency	Percent
Strongly Disagree	5	3.2
Disagree	31	19.9
Neutral	27	17.3
Agree	57	36.5
Strongly Agree	36	23.1
Total	156	100.0

There is sufficient staff to serve patients

The study examined the opinion that **hospitals have sufficient staff to serve patients**. The findings showed that 65.4% of the respondents disagreed

and strongly disagreed with the opinion, 13.1% were neutral on the opinion and 21.6% agreed and strongly agreed with the opinion as shown in the Table 19.

Table 19: There is sufficient staff to serve patients

	Frequency	Percent
Strongly Disagree	44	28.8
Disagree	56	36.6
Neutral	20	13.1
Agree	19	12.4
Strongly Agree	14	9.2
Total	153	100.0

Motivated Staff

Annual Productivity

The study investigated the opinion that **there is improvement in employee performance/productivity every year in the hospitals**. The

findings showed that 16.7% of the respondents disagreed and strongly disagreed with the opinion, 26.3% were neutral on the opinion and 57% agreed and strongly agreed with the opinion as shown in the Table 20.

Table 20: Annual Productivity

	Frequency	Percent
Strongly Disagree	7	4.5
Disagree	19	12.2
Neutral	41	26.3
Agree	67	42.9
Strongly Agree	22	14.1
Total	156	100.0

Employee Turnover

The study determined the opinion that **there is reduction in employee turnover every year**. The findings showed that 33.1% of the respondents

disagreed and strongly disagreed with the opinion, 27.9% were neutral on the opinion and 39% agreed and strongly agreed with the opinion as shown in the Table 21.

Table 21: Employee Turnover

	Frequency	Percent
Strongly Disagree	10	6.5
Disagree	41	26.6
Neutral	43	27.9
Agree	42	27.3
Strongly Agree	18	11.7
Total	154	100.0

Measurement of job satisfaction

The study sought to investigate the opinion that **employees' measurement of job satisfaction results indicates excellence**. The findings showed that 41.3% of the respondents disagreed and

strongly disagreed with the opinion, 20% were neutral on the opinion and 38.7% agreed and strongly agreed with the opinion as shown in the Table 22.

Table 22: Measurement of job satisfaction

	Frequency	Percent
Strongly Disagree	13	8.4
Disagree	51	32.9
Neutral	31	20.0
Agree	40	25.8
Strongly Agree	20	12.9
Total	155	100.0

Commitment and Loyalty

The study investigated the opinion that **there is extraordinary employee commitment and loyalty in the hospital**. The findings showed that 39.4% of

the respondents disagreed and strongly disagreed with the opinion, 21.9% were neutral on the opinion and 38.7% agreed and strongly agreed with the opinion as shown in the Table 23.

Table 23: Commitment and Loyalty

	Frequency	Percent
Valid Strongly Disagree	31	20.0
Disagree	30	19.4
Neutral	34	21.9
Agree	40	25.8
Strongly Agree	20	12.9
Total	155	100.0

Overall, as deduced from the descriptive statistics, all measures of the independent and dependent variable point to existence of these variables in the public hospitals in Kenya but to varying degrees implying that performance evaluation practices and creative governance is differently applied in different hospitals in the sector.

A Pearson correlation test was done to investigate whether there is a significant relationship between performance evaluation practices and creative governance success or not. The analysis findings from Table 24 indicate that there is a strong positive significant correlation between quality improvement practices and creative governance success at ($p= 0.00$, $r= 0.520$).

Correlation between performance evaluation practices and creative governance success

Table 24: Correlation between performance evaluation practices on creative governance success.

		Creative Governance
Performance Evaluation	Pearson Correlation	.520**
	Sig. (2-tailed)	.000
	N	135

** . Correlation is significant at the 0.01 level (2-tailed).

The linear regression analysis as shown in Table 25, shows that performance evaluation practices predicts 55.2% of the creative governance success

with (R-square= 0.552). This implies that performance evaluation practices have more than 55% prediction on creative governance success.

Table 25: Model Summary

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
Relationship between performance evaluation practices and creative governance success	.692 ^a	.552	.448	.52072	.452	111.323	1	135	.000
Dependent Variable: Creative Governance									

Regression coefficients indicate that increasing Performance evaluation practices by one unit, creative governance increases by 0.564 as indicated by beta coefficients in Table 26.

Table 26: Regression Coefficients

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	Performance evaluation practices	.754	.264	.564	2.657	.000
a. Dependent Variable: Creative Governance						

Deduction from the

Discussion

The Main objective of the study was to examine influence of performance evaluation practices on Creative governance success. The Measures of independent variable “Performance evaluation practices” reveal that the Tier four public Hospitals in Kenya have to some extent implemented some of these practices(results edge towards agree and strongly agree). However the Reponses on Creative governance outcomes seem to veer towards negative side (Disagree and strongly disagree); implying that the performance evaluation practices have dimly influenced Creative governance success. The tested hypothesis shows a significant correlation coefficient of $r= 0.520$; $p=0.00$. Observation from the regression analysis, shows that performance evaluation practices have a significant influence ($Beta= 0.564$; $p=0.00$).

Further, it can be deduced that if performance evaluation practices are improved, there would be

realization of Creative governance outcomes in these hospitals.

These results are consistent with Shalley et al (2004) who ascertained that when employees use creative ideas to improve their work processes, it results in the improvement of the whole institution. Employee creativity greatly influences employee productivity since they are able to come up with novel ideas that are beneficial to the organization (Gong et al 2013).As such, Performance management systems can be designed to allow for employee participation in performance or development decisions and performance evaluation discussions. Dewettinck (2013) found similar findings, in that human resource professionals reported development oriented performance management systems to be effective at increasing employee motivation and competency levels which intern positively influence organization performance. OECD report (2017) also showed the importance of innovation as a component of

creative governance that can only be realized through workforce management systems that allow room for creativity and innovation.

Regarding holding regular performance evaluation periods, the results concur with (Brown et al 2019) that regular performance evaluation periods create consistency in competency improvement as well as work processes leading to overall organization performance. Results related to establishing of models or procedures to meet performance evaluation goals and the compounded influence on creative governance success are systematic with the work of Waweru (2015) who established that specificity of work measures is crucial, and that managers should improve mechanisms on specificity as it is directly linked to employees' performance which is a prerequisite for creative governance success. Nwuche and Chukuigwe (2013) argue that the success of organizations to a very large extent depends on the type of targets organizations set and how well they are able to lead teams to achieve the set targets.

Data collection and analysis in performance evaluation is another performance evaluation practice that was tested against Creative governance success. Results show consistency with existing scholarly works. For instance, Haines & St-Onge, 2012 found that use of multisource data for evaluation provides more reliable measures of evaluation that are more motivating to employees. Even though the practice in Kenyas public hospitals show a lean exploration of data collection models. In assessing Monitoring and feedback for intervention versus creative governance success, it was evident that a relationship exists but with little influence of the Independent on the dependent variable implying that if more was done to improve this evaluation practice, the outcomes of creative governance would be more robust. This affirms findings by Bartz (2017) that communication, feedback, and coaching must be initiated by every manager to ensure effective performance appraisal.

Various study results on the independent variable's latent measures versus the dependent variable point to paucity of consistent results from different studies and hence this study has added to this knowledge as well as practice gap on performance

evaluation practices and Health care outcomes as displayed through creative governance outcomes.

CONCLUSION AND RECOMMENDATION

The study concluded that performance evaluation practices positively influences creative governance success; though with *average effect* in the case of Tier four public hospitals in Kenya. Therefore, the study recommends improvement on performance evaluation practices in Kenya's public hospitals. Although respondents report there is establishment of performance evaluation procedures, there is need to benchmark with best practices to revamp the procedures used as well as use and plough back of evaluation outcomes.

Regarding Creative Governance, study outcomes showed that the Hospitals allow application of innovative ideas, have forums to discuss innovative practices, but there is disagreement that innovation is encouraged. The hospitals have not embraced flexible working hours as demonstrated by reported understaffing. Despite the fact that the respondents agree that the hospitals offer quality services, there is contradicting result that there is no sufficient staffing which is likely to compromise quality of service. Results also revealed that the respondents are not highly motivated and high employee turnover is evident. Based on these study outcomes, the Ministry of Health, Hospital managers and regulatory bodies interested in satisfactory service offerings need to work towards improving the aforementioned factors.

Further studies may focus on causal effects of independent latent variables and dependent variable using structural equation modeling. Influence of performance evaluation practices on creative governance may be tested in other sectors of service. Further studies may also test influence of external regulation and patient/community inclusion on improvement of healthcare systems in Kenya.

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