

Influence of Resource Management on the Performance of Kenya Medical Supplies Authority in Nairobi City County, Kenya

Nding'uri Daniel Maina¹, Dr. Abel Anyieni²

^{1,2}*Department of Business Administration, School of Business, Kenyatta University, Kenya*

Abstract: Kenya Medical Supplies Authority performance is undergoing strategic change management in its operations. Some of these changes include automating its systems, creation of a self-sustaining supply model, providing market and demand driven medical supplies, and getting autonomy from ministry of health in relations to procurement of medical supplies, and distribution of medical supplies. Despite the advantages of the changes being implemented, Kenya Medical Supplies Authority performance has faced diverse challenges in the change. This study aimed at investigating the influence of resource management on the performance of Kenya Medical Supplies Authority In Nairobi City County, Kenya. A case study was utilized in this study. Employees of Kenya Medical Supplies Authority performance who are in senior management, and the supply chain, procurement and finance departments at Kenya Medical Supplies Authority performance formed the target population. These include senior managers, supply chain officials, procurement officials, and finance officials. The study sample size was 70 respondents which was obtained through the use of simple random sampling method. To address particular study objectives, a structured questionnaire with closed-ended questions was used for gathering the required data. The pilot survey was carried out on seven Kenya Medical Supplies Authority performance staff and were not included in the final research to test the instrument's validity and reliability. The alpha coefficient of Cronbach was used to determine internal consistency and construct validity with 0.7 considered adequate for reliability. The study found that resources management had a positive and significant influence on performance of Kenya Medical Supplies Authority performance. The study concluded that utilization of information technology resources was highly rated by the respondents in regard to resources management aspects. The study recommended that enough financial resources should be utilized to improve the performance of the Kenya Medical Supplies Authority in the leadership of strategic change elements.

Keywords: Resource Management, Organizational Performance

I. INTRODUCTION

Organizations work under different internal and external environmental setting resulting in changes. According to Mutua (2015) conceptualized change as the altering or modification of something. Okeyo (2010) refers to change as the transition from one state to another with the focus on being different. Change therefore means movement to a desired future fate in which there could be uncertainties in attempt to get to this state.

Bennett, Lance and Woehr (2014) described organizational performance measurement as a process of assessing progress towards achieving pre-determined goals including information on the efficiency with which resources are transformed into goals and services, the quality of those outputs and outcomes, and the effectiveness of the organizational operations in terms of their specific contributions to organizational objectives. The critical success factors for organization performance consist of access to right knowledge and skills, proper planning, innovation and flexibility.

Resource management is the pre-planning, organizing and resource utilization system of maximizing efficiency. Management of resources requires a thorough understanding and transparency of the goals and capacity of an organization (Noe, Hollenbeck, Gerhart & Wright, 2017). Guest (2017) argues that the organization maximizes efficiency and supervises the use of these resources by establishing a good resource management planning process. This can therefore be argued that resource management is essential because it facilitates consumption scheduling, provides you with an outline of all and everything, and allows planning and management straightforward.

The effectiveness of the strategic change management is impacted upon by diverse factors including resources management, legal framework, organizational culture, and leadership aspects amongst others. In the context of leadership, Gwengi (2010) indicates that leadership enables the employees to embrace the vision of change therefore reducing employee resistance to strategic change within an organization. On the other hand, Aketch, (2015) indicated that change management success is determined by organizational leadership unity and purpose during change management. This is to enable the leaders to guide their teams during change process.

II. STATEMENT OF THE PROBLEM

Organizational change is vital to keep up with evolving business needs and remain competitive (Day, 2014). However, Brown (2015) notes that managing strategic change is a double-edged sword as it simultaneously results in expected performance gain and unexpected performance loss. When unexpected loss of performance dominates or drains expected performance gain away, change becomes pointless.

Moreover, the coexistence of profit and loss of performance is likely to generate confused evidence for the outcome of strategic change. As a result, organisations may fail to maximize strategic change's performance advantages either because they do not detect performance loss or fail to diagnose and mitigate the loss.

KEMSA is going through many progressive changes as per its strategic plan in order to manage its operations (KEMSA, 2017). Some of these changes include automating its systems, creation of a self-sustaining supply model, providing market and demand driven medical supplies, and getting autonomy from ministry of health in relations to procurement of medical supplies, and distribution of medical supplies (KEMSA, 2017). Despite the advantages of the changes being implemented, KEMSA has faced diverse challenges in the change. In November of 2016, it stopped supplying drugs to level four hospitals in Nairobi due to unpaid arrears. In July of 2017, KEMSA was accused of having gaps in its supply chain leading to some of the free HIV drugs being funded by donors that it had supplied to two Kisumu hospitals being later sold (Ngila, 2017). KEMSA was also used by Revital Health (EPZ) Limited over the tender to supply syringes to the organization (Kanyi, 2017). Various studies examined elements of leadership procedures for strategic change. Muteti (2013) examined strategic change at Telkom Kenya. Olivia (2014) examined leadership and strategic change at National Bank. Kibue (2013) examined Family Bank's strategic change management. The current aimed at addressing the literature gap through focusing the change management practices effectiveness to performance of KEMSA.

Ng'eno (2012) study examined practices of managing strategic change and organization performance of Kenya Commercial Bank (KCB) and found that KCB adopted different strategic change management methods that enhanced the bank's efficiency. However, the study used secondary data and commercial bank. Nyamu (2014) did a study in Kenya National Audit Office focusing on practices of managing strategic change and challenges at and discovered a positive correlation between leadership of strategic change. However, the study used a case study and in-depth interviews. Gathoni (2016) research explored how management of strategic change on performance of organization and found that scheduling change and visionary leadership were substantially linked to organizational performance. Therefore, this study sought to investigate the influence of resource management on the performance of Kenya medical supplies authority.

III. LITERATURE REVIEW

The role of resources in the managing change has been examined by diverse scholars. In this context, Mugambi (2017) did a survey of Kenya Police Service's strategic change leadership procedures. The study analyzed its data using content analysis and presented the findings in prose form. The study found out that Kenya Police Service had three strategic plans, namely; 2008-2012 strategic plan, 2013-2018 strategic

plan and 2015-2019 strategic plan and whereby each strategic plan had stipulated objectives to achieve. The study found out that in achieving the objectives of the strategic plans, the Kenya Police Service has set resources such as modern equipment and systems to monitor the progress training of employees in the execution of strategic plans, additional staff and staff welfare among others.

Abdullahi (2011) studied the role of leadership in change management based on perceptions of managers in the Kenya's mobile telephony sector. The role of resources in strategic change management was conceptualized in two diverse ways: the availability of diverse resources and the utilization of the available resources. In this context, the study indicated that change management involves the use of diverse resources including human resources, and information technology as well as the manner in which they are utilized in the organization.

Meja (2009) In the Equity Bank Change Management Study, the various ways in which funds have affected performance have been observed. The research indicated the need for economic and non-financial resources for purposes of undertaking diverse support services required in the process of change management. The study noted that financial resources help in rolling out training programs for diverse staff on the impact of change in their work environment. In this context, consultants may be required for the purposes of conceptualizing training programs as well as implementation of those training programs.

The role of resources on the change management was further examined by Maboko, (2012) in a study on change management an ministry of finance, Kenya. The study noted that resources are critical in enhancing change management success in diverse ways. The effective utilization of diverse resources such as human resources and finance resources are key in the success of change management. Human resource management in an organization is highly critical in undergoing change as employees may sabotage change management if not undertaken well.

Maboko (2012) examined the importance of leadership aspects in change management at the Ministry of Finance. The research observed that manager in an organisation play a critical position as agents of change. Amongst roles of leaders in change management include intervention for new solution whenever challenges occur, experimentation with new solutions for emerging issues, and reinforcement of positive results and best practices. In people management, the study found that the leaders must act to reduce stress that the employees feel due to diverse changes occurring in the organization.

In a research on strategic change management at the Teachers Service Commission (TSC), Kimaita (2013) further examined the role of governance in strategic change management and found that the leaders assist in change management through their understanding that change management is a continuous

process. Therefore, the leaders must be versatile and flexible in their actions and management of the organization. They must be in a position to react decisively to occurring changes in the organization. The study noted that effective leaders during strategic change management must actively examine their operating environment for change and actively manage their daily routines for change. They must then actively communicate the vision of changes to the stakeholders.

IV. RESEARCH METHODOLOGY

A case study was utilized in this study. Employees of Kenya Medical Supplies Authority performance who are in senior management, and the supply chain, procurement and finance departments at Kenya Medical Supplies Authority performance formed the target population. These include senior managers, supply chain officials, procurement officials, and finance officials. The study sample size was 70 respondents which was obtained through the use of simple random sampling method. To address particular study objectives, a structured questionnaire with closed-ended questions was used for gathering the required data. The pilot survey was carried out on seven Kenya Medical Supplies Authority performance staff and were not included in the final research to test the instrument's validity and reliability. The alpha coefficient of Cronbach was used to determine internal consistency and construct validity with 0.7 considered adequate for reliability.

V. FINDINGS

The study sought to investigate the influence of resource management on the performance of Kenya medical supplies authority. The findings are presented in Table 1.

Table 1: Resources Management

Statement	Mean	Std. Deviation
Availability of human resources	3.87	0.839
Availability of information technology resources	3.90	1.003
Utilization of human resources	3.81	0.807
information technology resource utilization	3.94	0.597
Lack of financial resources for implementing training programs	3.76	0.918
Composite Score	3.85	0.833

Source: Field Data (2019)

A mean score of 3.87 which is above 3.5 and less than 4.5 It meant that the participants agreed on average that was availability of human resources at Kenya Medical Supplies Authority. A standard deviation of 0.839 which was below 1.0 implied that there was a consensus among the respondents in citing whether there was enough human resources. This is in agreement to that by Abdullahi (2011) on leadership functions in change management based on managers' perceptions in the Kenya's mobile telephony sector and revealed that change

management involves the use of diverse resources including human resources.

In rating the availability of information technology resources at Kenya Medical Supplies Authority, the mean score was between 3.5 and 4.5 and therefore It meant that the participants tended to agree on the average there was availability of information technology resources at Kenya Medical Supplies Authority. A mean score of 1.003 implied that there slightly lack of consensus amongst the respondents in rating this aspect at Kenya Medical Supplies Authority. This is supported by Mugambi (2017) study found out that in achieving the objectives of the strategic plans, setting out resources such as modern equipment and systems to monitor the progress in strategic plan execution, personnel training, additional staff and staff welfare among others was important.

The research also attempted to determine whether Kenya Medical Supplies Authority. In respect to this aspect, the study obtained a mean score of 3.81 and a standard deviation of 0.807. The mean score obtained was above 3.5 but below 4.5, the participants agreed that Kenya Medical Supplies Authority used human resources. A standard deviation from this indicator meant that there was agreement among the participants in assessing the use of human resources. This is in agreement to that by Abdullahi (2011) who indicated that change management involves the use of diverse resources including human resources as well as the manner in which they are utilized in the organization.

A mean rating of 3.5-4.5 meant that people tended to agree on the average there was utilization of information technology resources at Kenya Medical Supplies Authority. A standard deviation of less than 1.0 obtained in respect to this aspect implied that the respondents were in consensus in rating the utilization of information technology resources within the Authority. The findings are in agreement to that by Abdullahi (2011) who indicated that change management involves the use of diverse resources such as information technology as well as the manner in which the resources are utilized in the organization.

Table 4.6 further shows frequencies and percentages of responses in regard to availability of financial resources for implementing training programs at Kenya Medical Supplies Authority. A mean score of 3.76 meant that the participants averagely agreed that financial resources to be used for implementing training programs at Kenya Medical Supplies Authority were not sufficient. A standard deviation below 1.0 meant that the participants were agreed on availability of financial resources for implementing training programs. This is disagreement to Meja (2009) noted financial resources are required for the purposes of conceptualizing training programs as well as implementation of those training programs.

In general, the study established that the participants were generally in agreement with the various aspects of resources management. This is due to an average rating of 3.87 on human resource availability, mean of 3.90 on Availability of

information technology resources, Average human resource usage score of 3.81, average information technology resource usage score of 3.94 and average score of 3.76 on absence of economic funds to implement training programmes. This gave a mean composite rating of 3.87 and a composite deviation of 0.833 as the result. Maboko, (2012) study observed that resources are critical in enhancing change management success in diverse ways

VI. CONCLUSIONS AND RECOMMENDATIONS

Focusing on resources management, the study concluded resources management positively influenced the performance of the organization. Utilization of information technology resources was highly rated by the respondents in regard to resources management aspects. In general, respondents were in agreement with all statement rating various statements in regard to organizational culture. This further indicates that Kenya Medical Supplies Authority considers all aspects of organizational culture in performance. It is recommended that the study provision of enough financial resources for implementing training programs in Kenya Medical Supplies Authority. Enough financial resources will be utilized to improve the performance of the Kenya Medical Supplies Authority in the leadership of strategic change elements.

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