# African Journal of Emerging Issue (AJOEI)

Online ISSN: 2663 - 9335

Available at: https://ajoeijournals.org

# **HUMAN RESOURCE** MANAGEMENT

# NEXUS BETWEEN EMPLOYEE MOTIVATION AND PERFORMANCE OF LEVEL FOUR GOVERNMENT HOSPITALS IN KENYA: MODERATING EFFECT OF STAKEHOLDER ENGAGEMENT

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**Publication Date: April 2024** 

#### **ABSTRACT**

This study sought to examine the relationship between employee motivation and performance of Level Four Government hospitals in Kenya. The study was guided by Two Factor Theory, Resource Based View and Stakeholder Theory. The paper reviews literature on adoption of stakeholder engagement in the relationship between employee motivation and performance of hospitals. This paper adopted positivism view with the aim of predicting and generalizing about the moderating role of stakeholder engagement on the relationship between employee motivation and performance of Level 4 hospitals in Kenya. This study employed a sequential explanatory design. The adopted design enabled for triangulation of quantitative results and qualitative findings. The paper targeted 104 Level Four government hospitals. The study used primary data. Primary data was obtained from the selected respondents using structured questionnaires. Descriptive analysis was used to analyze quantitative data through tabulations, percentages and measure of central tendency. The study results indicated that a unit increase in employee engagement raises the performance of Level Four government hospitals by 0.804. The study findings also indicated an enhancing type of moderation since the R square increased from 72.7% to 80.2% and 86.1% after the interaction term. The paper recommends that new regulations be developed to ensure that stakeholders are involved in decision-making and that programmes are linked to stakeholders in order to improve the Performance of Level Four government hospitals. The study also recommends that Level Four government hospitals' top management create policies that forbid friendships, conversations, employee interactions, and the exchanging of ideas. The workplace should be enjoyable and provide possibilities for open communication, brainstorming, and discussion.

**Keywords:** Employee Motivation, Stakeholder Engagement, Performance of Hospitals

#### 1.1 Introduction

Employee performance in most organizations and institutions is highly dependent on the benefits offered by individual organizations (Idowu, 2017). According to Peters, Chakraborty, Mahapatra and Steinhardt (2010) health worker motivation is the primary co-factors of health sector performance and health retention. Motivation components are varied including monetary and nonmonetary aspects. Willis-Shattuck, Bidwell and Thomas (2008) assert that motivational factors may vary per organization but career development, financial incentives and management issues are critical factors. Sandhu, Iqbal, Ali, and Tufail (2017) argue that work with high motivational and hygiene factors results in high performance and few employees' complaints. Poor working conditions has also led to low motivation and job dissatisfaction. Working conditions are an important contributor to overall job satisfaction which subsequently translate to job quality and overall performance. (Bakotic & Babic, 2013). Raziq and Maulabakhsh (2015) acknowledge that for there to be efficiency, effectiveness, productivity as well as commitment to the job, it is important for businesses and organisations to meet satisfactorily the needs of its employees through providing favorable working conditions. The employee's motivation and sense of achievement is achieved through delegation of duties (Alshmemri, 2014). Job satisfaction is ensured through employee motivation (Ozpehlivan & Acar, 2015). Career development and promotions ensures that employees are motivated leading to job satisfaction (Kossivi et al., 2016). Lack of or limited training and professional development programmes leads to frustration among the staffs, thereby increasing the turnover rates and dissatisfaction among the employees (Baroud, Kharroubi, Hamadeh, Ammar, Shoaib & Khodr, 2017). Employees are motivated by promotions and career development which increases their level of responsibility and accountability (Al Tayyar, 2014). The mapping the dynamic nature of stakeholder's involvement in healthcare projects is very vital (Nzinga, Jones, Gathara & English, 2021).

The remuneration of health officers has been seen to greatly impact on the motivation of healthcare workers thereby affecting the general performance. For instance, statistics show that newly employed Malawian doctor earns 86% of the Gross Domestic Product per capita (KIPPRA, 2012). Doctors in the Democratic Republic of the Congo make 154% of what Americans do. A Kenyan doctor's net income is US\$800, while counterparts in South Africa earn US\$2500 (KIPPRA, 2012). These figures represent a higher incentive for brain drain and industrial action in Kenyan doctors as opposed to doctors from other parts of Africa. The most recent strike in September 2017 involved resident doctors (Oleribe et al. 2016) and another involving nurses and clinical officers between December 2020 and February 2021 (KIPPRA, 2021) amongst others.

According to the statistics by KIPPRA (2012), a newly employed Kenyan doctor earns 59% of the Gross Domestic Product per capita. A strategic pay and compensation management attract, retain and maximise the employee satisfaction in the organisation (Ozpehlivan & Acar, 2015). Well remunerated employees are motivated to stay in an organisation (Saeed, Lodhi, Iqbal, Nayyab, Mussawar, & Yaseen, 2013). The staffs in the hospitals need to be motivated in order to improve their work efficacy and effectiveness (Hotchkiss, Banteyerga & Tharaney, 2015; Huber and Schubert, 2019; Schopman, Kalshoven & Boon, 2017). This is because the quality of healthcare services depends largely on the level of satisfaction of the employees (Musinguzi et al., 2018). A 2014 survey by Chen et al., (2015) suggested that income could contribute to job satisfaction in the organisation. Dissatisfied employees have lower productivity, poor performance and job stress in the organisation and do not feel motivated towards the organisation (Tillott, Walsh & Moxham,

2013; Graban 2016). Low motivation can lead to low satisfaction, low morale and diminished loyalty among the employees in the organisation (Balouch & Hassan, 2014).

# **Stakeholder Engagement and Performance**

Stakeholder engagement refers to the practices of making joint decisions, informing, consulting and dialoguing with stakeholders (Davila, Rodriguez-Lluesma & Elvira, 2018; Grama-Vigouroux, Saidi, Berthinier-Poncet, Vanhaverbeke and Madanamoothoo, 2020; Laude, 2020). Stakeholder engagement is responsible for strategic impacts like profit generation, market value and agency cost lowering (Luís et al., 2018; Bendell & Huvaj, 2020) and assists in ensuring the reputation, the innovation and aiding the endorsement of the of organisational details for the stakeholders through eco-efficiency and knowledge and learning improvement (Luís et al., 2018; Bendell & Huvaj, 2020; Pucci, Casprini, Galati & Zanni, 2020; Wiesmeth, 2020).

Research has linked stakeholder engagement to value creation, strategic planning, decision making, innovation, corporate responsibility, accounting and sustainability (Bendell & Huvaj, 2020; Scuotto, Garcia-Perez, Cillo & Giacosa, 2020; Alvarez & Sachs, 2021).

# Performance of Level Four Hospitals in Kenya

Organisational performance refers to the actual output versus the desired output (Sultana, Irum, Ahmed, & Mehmood, 2012). Zameer, Ali, Nisar and Amir, (2014) and Dobre (2013) assert that higher performing staffs are needed in order to move the organisation towards achieving various organisational goals such as offering unique products and services that give the organisation leverage against the competition.

The quality of work done in the organisation reflects the commitments and passion of employees in the organisation (Scott, 2016). Waithaka, et al., (2020) observed that poor working conditions, shortages of drugs, commodities, equipment and staff have greatly caused dissatisfaction and lack of motivation of health workers. The county governments not honouring agreements on promotions, re-designations into appropriate job groups not done, lack of training and skills development and failure to address these issues has also led to general discontent and unrest among health workers in Kenya. The healthcare workers need a supportive, healthy and safe working conditions (WHO, 2016).

Level Four- County Referral or Sub-County hospitals serve a catchment of about 100,000 people or the number covered by 20 community units or three health centers (Republic of Kenya, 2014). The Level Four government hospitals are the county referral and sub county referral hospitals.

County Referral and sub-county hospitals have medical, surgical, pediatrics and maternity wards and have at least one specialist in each department, with one or two medical officers who manage in-patients and clinical officers who serve the outpatient clients. The Level Four hospitals are structured from medical superintendent/ sub-county hospital administrator, head of nursing services, head of clinical services and head of administration (Kenya gazette, 2020). These are further cascaded down into various departments.

Level Four hospitals functions include; clinical assistance and supervision of units at the lower ranks, inpatient services, provide comprehensive emergency obstetric care, dental health services, operation on inpatient basis, health learning, delivery of specific laboratory tests and radiology services, services for elimination of communicable diseases; screening for animal transmitted

conditions; provides Highly Active Anti-Retroviral Therapy (HAART); male circumcision; Pelvic Inflammatory Disease (PID) management; screening of women for cervical cancer and breast cancer; prostate examination for men; evacuation services for injuries; disaster risk reduction interventions; facility disaster response planning; disaster management; provides essential services; vaccination for yellow fever, tetanus and rabies and other KEPI vaccines; management of surgical emergencies including trauma care; caesarean section; radiology services; emergency operations; general operations; specialised operations; laboratory services; specialised therapy services; HIV/AIDS management; tuberculosis management; Palliative care; rehabilitative services; physiotherapy; and speech and hearing therapy among others. In addition, the hospitals provide logistical support to low level facilities in the catchment area and repackaging of information movement from facilities to catchment area (Ministry of Health, 2022).

Health services are integrated as one goes down the hierarchy of health structure from the national level to the county levels (Chodzaza & Gombachika, 2013). Once the Ministry of Health has formulated the strategies, they are cascaded down to the County Health Board (CHB) which further streamlines and tailors the strategies for the level hospitals through Health Management Committee. Performance of hospitals is measured through the service delivery indices, customer care and customer satisfaction. Satisfaction with healthcare services in Kenya has for long been reported as low and cost of services has been given as one of the reasons for dissatisfaction with the services (Nyongesa, Onyango & Kakai, 2014). Patients' satisfaction with healthcare services is one of the measures for quality of care that has been shown to influence confidence in a health facility and the subsequent utilisation of services from the facility. Patients' satisfaction and dissatisfaction with healthcare services indicate their perception about the service delivery and the satisfaction with quality of healthcare depends on the degree to which the patients' desired expectations, goals, and preferences are provided by the healthcare service providers. This study sought to examine the relationship between employee motivation and Performance of Level Four government hospitals in Kenya

#### 1.2 Statement of the Problem

A good health system is driven by adequate, trained and motivated health workers (World Health Organization, 2016). Equally, good healthcare performance depends not only on employees' space, skills, and inspiration, but also on the structure, hardware, and materials you expect to run your business. This needs to be backed by robust performance management systems to direct the contribution of the healthcare workers to realize the expected health outcomes. Considering that health is a service sector, the need to prioritize the strategies to enhance productivity for the health workers especially in public owned hospitals cannot be overemphasized. Performance of health sector requires trained staff at all levels of service delivery. High performing institutions prioritize and implement various motivation components to increase performance. Kenya was one of the 57 counties in Africa that was highlighted to be facing serious shortages of trained healthcare workers.

Kenyan health system has experienced many chronic challenges since devolution of health including drug shortages, understaffing and underfunding and more frequently, the additional shocks of health care workers intermittent strikes, and now, the ongoing COVID-19 pandemic. In 2017, a 100-day doctors' strike was followed by a 150-day nurses' strike (KEMRI, 2020). Between December 2020 and February 2021, clinical officers and nurses went on a strike that lasted 70 days (KIPPRA, 2021). The reasons for the strikes were stated as the failure by government to implement

collective bargaining agreement, pay agreed allowances, devolution of healthcare that disrupted human resource management functions, discrimination of cadres as salaries and remunerations commission had previously defined nurses as semi-skilled and thus only eligible for relatively low pay scales(Irimu, et al, 2018; Njuguna, 2018). While devolution may have been well intended, it is yet to meet the expected objectives of ensuring the counties have referral hospitals that are well equipped and staffed. Cases of health care staff unrest and brain drain are still being experienced in the County Referral and Sub-County Hospitals (Waithaka et al, 2020). The resultant shortage from the brain drain and the staff unrest exerts a huge strain on the few workers left behind. Reportedly, one in every five nurses trained in Kenya applies to emigrate (Otieno, 2016). Figures for doctors are equally concerning, with a reported 30–40% of the 600 medical graduates leaving on completion of their internship, every year (Muraguri, 2015).

Dismal performance in the health sector globally has been witnessed in the ill preparedness of hospitals to combat emerging and re-emerging diseases and the now ravaging SARS-CoV-2 outbreak (WHO, 2020) being a classical example. Dobre (2013) observes that positive change can be achieved by training the employees in order to increase productivity and service delivery (Shaheen, Naqvi, & Khan, 2013). Motivation energises individual level of commitment and guide behaviour of the healthcare worker. In the same breadth, prior research underscores the need and how stakeholder activism and politics influences organisational activities, hence this paper.

#### 2.1 Theoretical Review

# Stakeholder Theory

Stakeholder theory was incepted by Edward Freeman in 1984. The stakeholder theory highlights policies and programs that are both internal and external. The theory gives the highest priority to the role of stakeholders in the management framework (Uribe, Ortiz-Marcos & Uruburu, 2018). Stakeholder theory gives a focus of analysis on the strategic thinking and positions of the stakeholders (Freeman, 1984). Stakeholder theory has introduced business ideas into the organisation through stakeholder engagement (Freeman, Kujala, Sachs & Stutz, 2017).

The stakeholder theory (Freeman, 1984) states that building relationships with stakeholders entails businesses admitting that customers' voices must be heard and their demands must be met. According to Lehtinen, Aaltonen and Rajala (2019), the stakeholder theory discusses how to manage various stakeholders while taking those processes into account. To actively include stakeholders in the pursuit of consent, control, cooperation, accountability, trust, fairness, or improved corporate governance, businesses support stakeholder engagement (SE) (Greenwood & De Cieri, 2007).

Companies and stakeholders can learn about each other's interests through SE activities, resolve potential negative effects, and even offer advantages to one or both of them (Provasnek, Schmid & Steiner, 2018). To assure the achievement of their objectives, modern enterprises must identify stakeholders' rational participation by prioritizing and balancing the interests and needs of the most important stakeholders (Lehtinen, Aaltonen & Rajala, 2019). Companies promote participation from outside organisations to gain access to pertinent information that was previously unavailable since doing so will help them enhance their internal processes and procedures, their goods, and their knowledge base (Desai, 2018).

Scholars who have been using this theory in various contexts, including social corporate accountability, governance, and shareholders' management, have shown an increasing interest in SE (Dobele et al., 2014; Desai, 2018; Vollero, Conte, Siano, & Covucci, 2019). Participating in engagement activities allows stakeholders and businesses to understand one another's interests, perspectives, and needs, which helps either one or both of them (Provasnek et al., 2018). Stakeholder engagement focuses on firming the bondage between organisations and their stakeholders (Harrison & Wicks, 2013; Bridoux & Stoelhorst, 2016; Bundy, Vogel, & Zachary, 2018; Jones, Harrison & Felps, 2018), stakeholder engagement research is a natural continuum for stakeholder theory. A shift from a firm level entity-based analysis to examining stakeholder networks and relationships can be used to enrich stakeholder theory. (Rühli, Sachs, Schmitt & Schneider, 2017; Tapaninaho & Kujala, 2020). This theory explains the relationship between stakeholder engagement and the Performance of Level Four hospitals.

# Resource Based View Theory (RBV)

Resource Based View (RBV) was first advanced by Barney (1991). The theory holds that when the resources of a firm are controlled, superior performances are achieved. The proponent of RBV theory is that the resources unique to the firm are employed to ensure that better performances are achieved (Singh & Mahmood, 2014). Resource Based View theory is a strategic management theory widely used to examine how resources can drive competitive advantage in which more value than rival is created through capabilities that are not easily imitated (Killen, Jugdev, Drouin & Petit, 2012).

The theory holds that a successful organisation is that which is keen in attracting attention to the capabilities and competences at the firm level, such capabilities are constantly associated with better performance (Almarri & Gardinera, 2014). This theory has been utilised by Burton and Rycroft-Malone (2014) who reviewed RBV theory to analyse the impact of the often-complex quality improvement efforts in healthcare organisations. Burton and Rycroft (2014) postulate the fact that organisational competences are expressed within diffuse inter organisational networks such as healthcare managed networks as well as in traditional large vertically integrated and standalone organisations, meaning the ability to work, learn and change across organisational boundaries is inevitable.

Resource Based View theory has been criticized for being more complex in public firms than the private firms which has the inter-organisational networks rather than a large, vertically integrated, organisation (Burton & Rycroft, 2014). Casebeer, Reay, Dewald and Pablo (2010) argue that RBV's use in healthcare management research has been limited empirically. Critics further have identified certain problems concerning definitional soundness and the constructs as appearing in the RBV. Resource Based View theory is also constantly criticised for being largely untestable in terms of methodological complications in literature. This theory is relevant to this study in explaining how the health facilities harmonises the capabilities with the available resources to realise better performance. The RBV form the anchorage of the study as it describes and cuts through the study variables by explaining the integration of various factors that enable an organisation to perform better by looking at the firm's capabilities and competences through quality improvement strategies.

# **Two Factor Theory**

Two Factor Theory emphasizes a suitable source of inspiration for performing work (Hall, & Williams, 1986). The hypothesis of these two factors suggests that work performance and

disappointment are due to two separate variables. This hypothesis states that representative inspiration is achieved when the representative is presented with a challenging and engaging task that can carry out, develop and demonstrate commitments and advances in the association. In other words, the point where the efforts of the workers are remembered is to realize the fulfilment and inspiration of the work. According to Baah and Amoako (2011) Herzberg, the two-factor hypothesis, the inspirations that generally coming about because of natural entertainers like affirmation, achievement, or personal growth and tidiness matters that don't give positive worker achievement. Herzberg further emphasized that the term hygiene is used to refer to extrinsic factors. The focus of this study is the extrinsic factors such as compensation system, job recognition, career development and work environment. Kuswati (2020) notes that there exist numerous factors that enhance employees' productivity in the organization once the employees are satisfied. The satisfaction of the workers does not spontaneously translate into increased productivity. To ensure a happy and productive workforce, managers need to consider both types of workplace factors.

# 2.2 Empirical Review

# **Employee Motivation and Organisational performance**

Lekartiwa, Rintari, and Moguche (2020) examined the impact of compensation on turnover of staff at private hospitals in Samburu County. The survey utilized a descriptive survey review survey plan. The subjects of the survey composed of 71 clinical professionals, including the attending physicians, chief nurses, chief pharmacists, and chief clinical technicians of all private emergency clinics in the Samburu area. Seventy-one clinicians were evaluated using regulatory test techniques. Information was collected through a private investigation. Linear regression was used to show the critical level. The review found that there was an important association between this compensation and employees who left the organization. However, current survey seeks to explore the impact of compensation on the execution of health care.

Choge (2020) studied the determining factors that impacted the performance of healthcare professionals. The review was addressed to Kenyatta National Hospital. A descriptive survey structure was used. The review was made up of 80 employees. The questionnaire was used to collect information. Pearson's connection was made to determine the relationship. The outcomes show that there is an important positive link between workers' accident compensation (free factor) and typical executions (dependent variable), r (0.581). P-value <0.01. Every organization needs to have a decent reward package to move their representatives forward and increase the efficiency of their organization.

A survey did by Ndirangu (2021) on the effect of wages on the workers' execution in private clinics in Nairobi, Kenya. A descriptive survey plan was utilized. The population targeted include 566 private clinics in Nairobi City and County, and personnel were appointed from each clinic, and a total of 566 HR staff were included in the target population. Sample selection was made using the Krejcie and Morgan table, with a sample size of 226 participants. Attention was paid to targeted research when choosing the sample size. The information set used organized questionnaires. The findings show that all indicator factors (direct compensation, non-monetary compensation, skill-based compensation, and deviant compensation) are clearly associated with the job performance of workers in private clinics.

A survey by James et al., (2015) on the reward system framework on healthcare professional productivity in Nigeria utilized a blending technique approach. The review population includes 277 workers. However, using Yamane's formula, the size of the example for 163 participants was shown. The desk survey was used for data on social events. The findings noted a connection in compensation schemes and the execution of health care workers. Reward frames are club achievements or opportunities that meet your business-related needs. To address the holes in the investigation, the current investigation in Kenya clearly points out the execution of health workers in open-owned clinics in Siaya County.

Obuba and Hallo (2021) studied on evaluation of career development on worker performance. The survey was done in private health sector in Isiolo County. The survey employed descriptive survey design. Standard polls were utilized to collect the information. From the regression analysis, it was established an R squared of 62.1%, which imply that career development influence employees' performance at high level. However, there are other elements that count 37.9% of workers' execution of private health sector. Career development plan for employees plays a vital role in building performance which results in the retention of employees. A survey conducted by Shalini (2020) on rewards and recognition and employees commitment in banks. The results of the study established that organizations deploy different methods to employees' engagement methods. A component of the total rewards strategy is career development which is the focus of this survey. In Pakistan, a survey by Iqbal (2015) on the influence of rewards and leadership on worker involvement in the normal financial sector of southern Punjab. The survey used a survey plan between segments. The information includes 50 workers from five banks selected from a common financial area. The outcomes show positive effects of compensation and authority on workers' involvement. Concentrate also said that prizes increase the level of productivity and efficiency of workers in their position and, as a result, increase the progress of the organization. However, the current review seeks to determine the impact on the execution of health care employees.

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In Nigeria, a study by Edem, Akpan, and Pepple (2017) on the impact of the working environment on worker well-being. The review used a clear research plan. The survey was used to collect information. The findings show that it can be reduced due to the inefficient working environment of workers. The connection between worker well-being, work, and the working environment is

very important and is therefore a basic job in itself. Yusefzadeh and Nabilou (2020) led an investigation into workplace elements and supplier executions in healthcare facilities. The test was conducted in a developing country. A correlation search configuration was used. The review found a positive link between functional status and the execution of health care workers. Workplace stress causes medical conditions that lead to increased absenteeism and reduced productivity. A research was conducted in Ethiopia by Solomon (2021) on influence of working condition on performance of workers. The survey was conducted at Dashen Bank, Addis Ababa. Both explanatory and descriptive research design were utilized. Structured questionnaires were utilized in gathering data. Regression and correlation analysis were utilized to show the link. The survey's correlational findings demonstrated a substantial and favorable correlation between employee performance at Dashen Bank and the physical work environment, reward components of the job, and work-life balance. The survey also indicated that workers' perceptions of their overall performance at Dashen Bank were significantly influenced by their working conditions. The current study focus on the public health sector.

Augustinus and Halim (2021) study indicated that motivation and employee performance have a strong correlation and motivation positively and significantly influences employee performance. The study used questionnaires to collect data which was the analysed using quantitative and descriptive approach. Motivation was found to have significant relationship between on employee performance.

Lencho (2020) studied the effect of employee motivation on job performance at Fiche general hospital. The study employed descriptive and inferential statistics to analyse data. The sample was obtained using random sampling approach. Primary data was obtained using the questionnaires. The study findings revealed employee motivation- performance link. The findings are similar to that by Aduo-Adjei, Emmanuel and Forster (2016) who examined the relationship between motivation and work performance. The study adopted a qualitative approach and used purposive sampling method. The study used an in-depth interview to obtain data. Content analysis was used to analyse data from the interviews. The findings revealed that intrinsic and extrinsic motivating factors had significant effect on the health workers' work performance. Lubis (2020) analysed the work motivation - job satisfaction link and revealed a positive correlation. The study used questionnaires to collect data which was then analysed using multiple linear regression analysis. The results of hypothesis testing demonstrate that there was a positive and significant correlation between work motivation and agriculture instructors' performance. The Performance of agricultural instructors was positively and significantly impacted by work motivation and job satisfaction.

Chrest (2020) examined the relationship between employee motivation and leadership behaviours in rural outpatient healthcare settings. Case study design was utilised. Qualitative analysis was used to analyse data. Data was collected using interview guides. Employee motivation was found to be influenced by the leadership behaviour. Similarly, using a mixed method approach, Deressa and Zeru (2019) examined the effects of work motivation on organisational performance in Hawassa public and private hospitals. The nurses were sampled using purposive sampling. Data was collected using questionnaires. Qualitative and quantitative data was used. The motivation of the nurses was measured using the multidimensional work motivation scale (MWMS). The study revealed that performance was influence by job satisfaction.

Ochola (2018) did a review on influence of employee motivation on organisational performance. The study results revealed that motivation of employee can significantly affect Performance of an organisation. The study results concur with that by Bhatnagar (2014) examined motivation-job satisfaction link among primary health workers. The study used cross-sectional survey. Qualitative design was used to conduct in-depth interviews. Data analysis was done using thematic content analysis. The study findings showed that individual characteristics, leadership and organisational structures influences the motivation and job satisfaction of health workers. The behaviours of the health workers were also influenced by broader socio-political climate. Weldegebriel, Ejigu, Weldegebreal and Woldie (2016) studied factors affecting the motivation of health workers. The study adopted cross-sectional research design. Data was analysed using inferential statistics. The findings indicated that non-financial human resource management tools were the strongest drivers of motivation.

Stefurak, Morgan, and Johnson (2020) investigated the connection between emergency medical service workers' motivation for public service and their job satisfaction and performance. A single public service factor was created by the public interest and self-sacrifice elements, and a second factor was added by a small number of compassion factors, with the policy-making factor being entirely reproduced. While adjusting for the impact of demographic and contextual factors, all three factors were strongly associated to job satisfaction but none were related to job performance. Except for the amount of time spent working in the emergency medical services (EMS) industry, none of these contextual factors significantly influenced job performance.

# **Employee Motivation, Stakeholder Engagement and Organisational Performance**

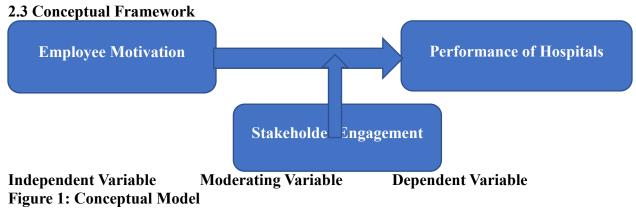
Alwedyan (2021) studied the relationship between motivation and Performance of the employees and revealed that there is stronger relationship between job Performance of the employees and the motivation. The study adopted descriptive analytical approach. Data used was collected using questionnaires. A study by Hemakumara (2020) revealed a positive relationship between motivation and job performance. Similarly, Mulyani, Sari and Sari (2020) study established that motivation has a positive and significant impact on employee performance. The study employed descriptive approach. Structural equation model program (SEM) with linear structural relationship (LISREL) was used in the analysis. However, these did not consider introducing the moderating and mediating variable. This study introduced Strategy implementation and stakeholder engagement as mediating and moderating variable respectively and examine how they influence Performance of Level Four government hospitals in Kenya.

Using a field experiment, Kassinis and Soteriou (2020) examined the effect of stakeholder engagement in value co-creation and firm performance. The study employed Data Envelopment Analysis (DEA) modeling framework in establishing whether stakeholder engagement improved the efficiency of delivering medical care. The results indicated that stakeholder engagement was statistically significant in value creation and in improving firm performance. Masefield, Msosa, Chinguwo, and Grugel (2021) investigated the role of stakeholder engagement in a low-income country's health policy process. The study employed a qualitative research approach and included unstructured questions. Stakeholder engagement was found to have a substantial impact on inclusive and meaningful participation in the health policy process. Stakeholder engagement variables (tokenistic involvement; stakeholder hierarchy; mutual distrust; favoured stakeholders) all demonstrated a statistically significant link with the health policy process.

Using a multilevel stakeholder engagement model, Boyer et al. (2018) examined the formulation of stakeholder engagement using a multilevel approach. Data was collected using interviews and surveys. The study confirmed the role of stakeholder engagement in strengthening the relationships between the community and health care providers. Using a mixed research approach, Akwanalo et al. (2019) examined the relationship between stakeholder engagement and referral networks for management of hypertension. The study engaged the stakeholders using the International Association of Public Participation (IAP2) framework. The study used qualitative data collection. Data was collected using informants and a focused group discussion. The study results indicated that IAP2 framework provided the flexibility of engaging the different stakeholders at varying degrees and repeatedly. It was revealed that for effective stakeholder engagement to strengthen referral systems across health care networks, then multiple players at different levels of the health delivery network need to be involved.

Varenova (2017) studied the role of stakeholder engagement and corporate social and environmental reporting in achieving accountability. The study used questionnaires and interviews in collecting data and analysed data using content analysis. Stakeholder engagement was found to be a vehicle to learn social and environmental information needs of stakeholders with regards to corporate performance. Nakiyaga, Serem, and Ssentamu (2021) investigated the role of stakeholders' engagement with school management and the enhancement of learners' achievement in school using the pragmatic paradigm. Stakeholder Theory formed the foundation of the study. Mixed methods design, concurrent and convergent approach was adopted. The sample was obtained using stratified random sampling. Data was obtained using interview guides and questionnaires. Descriptive and inferential statistics was used in the analysis. The findings revealed a link between stakeholders' participation and the enhancement of learners' academic achievement.

Frezkiewicz-Wronka, Ingram, Szymaniec-Mlicka, and Tworek (2021) investigated the moderating influence of stakeholder engagement in decision-making. The link between risk management and financial stability was investigated. According to the study's findings, risk management practices are favourably associated to financial stability. The study's findings demonstrated that stakeholder engagement had a non-significant moderating influence on the relationship between decision-making and financial stability. Awiti, Imbambi, Ng'ong'a, Mande, and Busieka (2020) investigated the connection between strategic management and performance. Non-probability purposive sampling was used to pick the respondents. In the analysis, inferential and descriptive statistics were used. The study's findings demonstrated a substantial association between strategic management and performance when stakeholder engagement was moderated.



# 3.1 Methodology

The paper reviews literature on adoption of stakeholder engagement in the relationship between employee motivation and performance of hospitals. This paper adopted positivism view with the aim of predicting and generalizing about the moderating role of stakeholder engagement on the relationship between employee motivation and performance of Level 4 hospitals in Kenya. This study employed a sequential explanatory design. The adopted design enabled for triangulation of quantitative results and qualitative findings. The paper targeted 104 Level Four government hospitals. The study used primary data. Primary data was obtained from the selected respondents using structured questionnaires. Descriptive analysis was used to analyze quantitative data through tabulations, percentages and measure of central tendency.

# 4.1 Findings and Discussion

# **Descriptive**

# **Employee Motivation**

The study's first goal was to determine the relationship between staff motivation and performance at Kenya's Level Four government hospitals. Table 1 depicts the descriptive results for employee motivation.

**Table 1: Descriptive Statistics for Employee Motivation** 

## **Statistics**

Employee Motivation	
N	267
Mean	3.6024
Median	3.6667
Mode	$3.61^{a}$
Std. Deviation	.66557
Skewness	0.73
Kurtosis	499

Table 1 displays descriptive statistics indicating the central tendency and dispersion of all employee motivation metrics. There was a total of 267 respondents in each measurement. Data distribution was assessed using skewness and kurtosis, while central tendency was assessed using mean, median, and mode. Dispersion was measured using the standard deviation. Kurtosis and skewness measurements are used to challenge assumptions about normalcy (Kline, 2005). According to Bai and Ng (2005), the distribution is regarded highly skewed if it is less than -1 or more than 1, moderately skewed if it is between -1 and -0.5 or 0.5 and 1, and basically symmetric if it is between -0.5 and 0.5.

Employee motivation had a mean of 3.60, a median of 3.67, and a mode of 3.61. The mean of 3.60 meant that the majority agreed with the statement about employee motivation. The standard deviation of 0.67 indicated that the members of the group differed from the group's mean value of

3.60 in the observation. Employee motivation has a skewness of 0.73. Because the values ranged between 0.5 and 1, we can assume that the distribution is roughly symmetric. Employee motivation was found to have a kurtosis of -0.499. As a result, we infer that the values were platykurtic because they were less than 3, indicating a broad tail distribution with no outliers.

# **Descriptive Statistics for Stakeholder Engagement**

The objective of the study was to assess the moderating effect of stakeholder engagement on the link between employee motivation and performance of Level Four government hospitals in Kenya. Table 2 shows the descriptive results.

**Table 2: Descriptive Statistics for Stakeholder Engagement** 

#### **Statistics**

Stakeholder Engagement	
N	267
Mean	3.4471
Median	3.5263
Mode	$3.58^{a}$
Std. Deviation	.58564
Skewness	.230
Kurtosis	.219

The descriptive statistics for stakeholder engagement are shown in Table 2. There was a total of 267 respondents in each measurement. Data distribution was assessed using skewness and kurtosis, while central tendency was assessed using mean, median, and mode. Dispersion was measured using the standard deviation.

According to the findings, stakeholder engagement had a mean of 3.45, a median of 3.53, and a mode of 3.58. So the mean of 3.45 meant that the majority agreed with the statement on stakeholder participation. The standard deviation of 0.58 indicated that the members of the group differed from the group's mean value of 3.45 in the observation. Stakeholder engagement had a skewness of 0.23. We conclude that the distribution is essentially symmetric because the values were between -0.5 and 0.5. Stakeholder engagement scored 0.22 on the Kurtosis scale. As a result, we infer that the values were platykurtic because they were less than 3, indicating a broad tail distribution with no outliers.

# 4.6.4 Performance of Level Four Government Hospitals

Descriptive statistics were compiled on the performance of Level Four government hospitals. Table 3 shows the descriptive results for performance.

**Table 3: Descriptive Statistics for Performance of Level Four Government Hospitals** 

	Sta	tistics
Organisational Performance		
N	267	
Mean	3.3629	
Median	3.3725	
Mode	$3.06^{a}$	
Std. Deviation	.51867	

Skewness	.189
Kurtosis	272

The descriptive statistics for Performance of Level Four Government Hospitals are shown in Table 3. There was a total of 267 responders in each measurement. Data distribution was assessed using skewness and kurtosis, while central tendency was assessed using mean, median, and mode. Dispersion was measured using the standard deviation.

According to the descriptive findings, the performance of Level Four government hospitals had a mean of 3.36, a median of 3.37, and a mode of 3.06. This meant that the mean of 3.36 meant that the majority agreed on the comments about the performance of Level Four government hospitals. The standard deviation of 0.52 indicated that the members of the group differed from the group's mean value of 3.36 in the observation. A standard deviation of 0.52 indicates that the data points are fairly close to the mean of the data, whereas a high standard deviation indicates that the data points are dispersed throughout a broad range of values. Skewness for Level Four Government Hospital Performance was 0.19. We conclude that the distribution is essentially symmetric because the values were between -0.5 and 0.5. Kurtosis analysis revealed that the performance of Level Four government hospitals was -0.27. As a result, we infer that the values were platykurtic because they were less than 3, indicating a broad tail distribution with no outliers.

#### **Inferential Statistics**

# **Employee Motivation and Performance of Level Four Government Hospitals**

The first objective of the research was to determine the relationship between employee motivation and Performance of Level Four government hospitals in Kenya. A simple regression model was employed to test the statistical significance of the independent variable (employee motivation) on the dependent variable (organisational performance). The first null hypothesis indicated that there is no significant association between employee motivation and Performance of Level Four government hospitals in Kenya.

Employee motivation and organisational performance were regressed using the equation  $OP = \alpha 0 + \beta_0 EM + \epsilon$  to test the hypothesis.

Where OP = Performance of Level Four government hospitals in Kenya, EM = employee motivation

**Table 4: Model Summary for Employee Motivations** 

Model	R	R Square		Adjusted R Square	Std. Error Estimate	of the
1		.853ª	.727	.726		.38256

Table 4 shows that the coefficient of determination R Square is 0.727. According to the model, staff motivation explains 72.7% of the variation in the performance of Level Four government hospitals in Kenya. This implies that there is a strong link between staff motivation and the performance of Level Four government hospitals in Kenya.

**Table 5: ANOVA** 

#### **ANOVA**<sup>a</sup>

Model		Sum of Squares	df		Mean Square	F	Sig.
1	Regression	103.231		1	103.231	705.356	.000 <sup>b</sup>
	Residual	38.784		265	.146		
	Total	142.015		266			

- a. Dependent Variable: Organisational Performance
- b. Predictors: (Constant), Employee Motivation

Table 5 displays the results of the Analysis of Variance (ANOVA). Analysis of Variance calculations provide information regarding degrees of variability within a regression model and serve as the foundation for tests of significance. This was done with SPSS, and the average mean score of employee motivations and performance of Level Four government hospitals was used. According to the data in Table 5, F-Calculated (1, 265) = 705.356, p0.05. At 95% confidence level, F computed was greater than F-Critical (1, 265) = 3.84. As a result, the findings confirm that the regression model of employee incentives on performance of Level Four government hospital is substantial and valid in general.

Table 6: Regression Coefficients for EM and OP

# Coefficients<sup>a</sup>

Mode	el		Unstandardized Coefficients		t	Sig.
		В	Std. Error	Beta	-	
1	(Constant)	.639	.096		6.639	.000
	Employee Motivation	.804	.030	.853	26.559	.000

a. Dependent Variable: Organisational Performance

The fitted model from the result in Table 6 was;

OP = 0.639 + 0.804EM

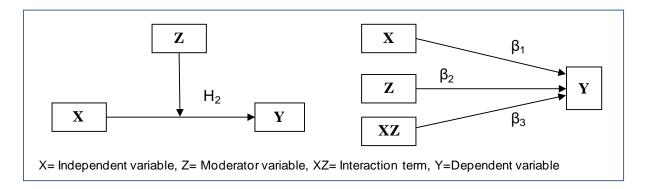
This means that a unit increase in employee motivation raises the performance of Level Four government hospitals by 0.804 units while all other variables remain constant. According to  $H0_1$ , staff motivation has no meaningful association with the Performance of Level Four government hospitals in Kenya. The study rejected the null hypothesis because of the p 0.05 and confirmed that employee motivation has a significant association with the performance of Level Four government hospitals in Kenya.

# Moderating Effect of Stakeholder Engagement on the Relationship Between Employee Motivation and Performance

# Moderating Effect of Stakeholder Engagement

The second objective of the study was to assess the moderating effect of stakeholder engagement on the connection between employee motivation and performance of Level Four government hospitals in Kenya. The stepwise regression analysis was utilized. The null hypothesis claimed that there is no significant moderating influence of stakeholder engagement on the link between employee motivation and performance of Level Four government hospitals in Kenya. The hypothesis was investigated using Baron and Kenny's (1986) three-step moderation models. The graphical representation below is a demonstration of a simple moderation model with employee motivation (EM) as the independent variable (X), stakeholder engagement (SE) as the moderator (Z) and Organisational Performance (OP) as the dependent variable (Y).

Figure 1: Simple Moderation Model for EM, SE and OP



# Where-;

 $H_2$  = Cross-level moderation effect.

In step one, employee motivation was regressed on organisational performance. In step two, employee motivation and stakeholder engagement were regressed on organisational performance. In step three the interaction term between employee motivation and stakeholder engagement was introduced. The moderation effect is confirmed when the effect of interaction term is statistically significant.

The moderating influence of stakeholder engagement was investigated, and the findings were interpreted using the coefficient of determination (R-Square), Analysis of Variance (ANOVA), and regression coefficients. In three steps, a hierarchical regression analysis was carried out, with an interaction term (a product of employee motivation and stakeholder involvement) introduced as an extra predictor.

Table 7: Regression Results for Model Summary for EM, SE and OP

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.853ª	.727	.726	.38256
2	.896 <sup>b</sup>	.802	.801	.32617
3	.917°	.841	.840	.29273

The results in Table 7 shows that the R squared for the moderating effect significantly improved from 0.727 to 0.841. More specific, in the first model employee motivation accounted for 72.7% of the variation in organisational performance. In the second step when employee motivation and stakeholder engagement are regressed against organisational performance, the finding indicated that 80.2% of the variation in organisational performance was accounted for. The third step interaction term (EM\*SE) was introduced, the explanatory power increased to 84.1%, a significant of 0.039.

ANOVA results for employee motivation, stakeholder engagement and organisational performance are as shown in Table 8.

**Table 8: ANOVA** 

			<b>ANOVA</b> <sup>a</sup>			
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	103.231	1	103.231	705.356	$.000^{b}$
	Residual	38.784	265	.146		
	Total	142.015	266			
2	Regression	113.929	2	56.965	535.454	$.000^{c}$
	Residual	28.086	264	.106		
	Total	142.015	266			
3	Regression	119.393	3	59.696	696.665	$.000^{d}$
	Residual	22.622	264	.086		
	Total	142.015	266			

- a. Dependent Variable: Organisational Performance
- **b. Predictors: (Constant), Employee Motivation**
- c. Predictors: (Constant), Employee Motivation, Strategy Implementation
- d. Predictors: (Constant), Employee Motivation, Strategy Implementation, Employee Motivation-Stakeholder Engagement

According to the ANOVA results, all three models were significant at p<0.001<0.05. Model one's F-Calculated was (1, 265) = 705.356, p<0.05, which is greater than the F-Critical (2, 264). F-Calculated for model two was (2, 264) = 535.454, p0.05, which is less than F-Critical (3, 264).

The calculated F-value for model three was (3, 264) =696.665, p0.05, which is greater than the critical F-value (2, 264). As a result, the results show that regression models one, two, and three are significant.

The regression of coefficients for employee motivation, stakeholder engagement and organisational performance are as shown in Table 9.

**Table 9: Regression Coefficients for Moderating Effect** 

		Coef	ficients <sup>a</sup>			
Model		Unstandardized		Standardized	t	Sig.
		Coefficients		Coefficients	_	
		В	Std. Error	Beta		
1	(Constant)	.639	.096		6.639	.000
	<b>Employee Motivation</b>	.804	.030	.853	26.559	.000
2	(Constant)	.242	.091		2.657	.008
	<b>Employee Motivation</b>	.505	.039	.535	12.803	.000
	Stakeholder	.500	.047	.548	10.657	.000
	engagement					
3	(Constant)	.237	.079		2.996	.000
	<b>Employee Motivation</b>	.596	.028	.632	21.518	.000
	Stakeholder	.348	.025	.403	6.145	.000
	Engagement					
	Interaction term	.695	.051	.679	13.735	.000
	(EM*SE)					
a. Depe	ndent Variable: Organisatio	nal Performanc	e			

The coefficient regression findings suggest that in step one, the regression model of Performance of Level Four Government Hospitals in Kenya on employee motivation was significant (t = 26.559, p<0.05). The results of step two demonstrate that the regression model of Performance of Level Four Government Hospitals in Kenya on employee motivation and stakeholder engagement was significant (t = 12.803, p<0.05; t = 10.657, p<0.05) with  $\beta_1$ =0.596, p=0.000<0.05:  $\beta_2$ =0.348, p=0.000<0.05. When the interaction term was introduced in step three, the findings show that it was significant (t = 13.735, p<0.05). The hypothesis that there is no significant moderating influence of stakeholder engagement on the link between employee motivation and performance of Level Four government hospitals in Kenya was rejected since the interaction term was significant. This confirmed that stakeholder engagement moderates the association between employee motivation and Performance of Level Four government hospitals in Kenya.

#### The fitted models were:

Model 1: OP = 0.639 + 0.804EM

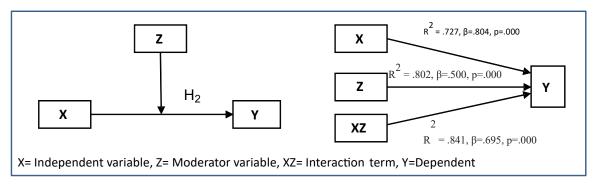
Model 2: OP = 0.242 + 0.505EM + 0.500SE

Model 3: OP = 0.237 + 0.596EM + 0.348SE + 0.695EM\*SE

Where; OP = Organisational Performance; EM = Employee Motivation; SE = Stakeholder Engagement

The graphical representation demonstrating the moderating effect of stakeholder engagement on how employee motivation influence organisational performance now becomes:

Figure 2: Revised Simple Moderation Model for EM, SE and OP



# Where-;

 $H_2 =$ Cross-level moderation effect.

The revised representation diagram shows that in path a; employee motivation (EM) as the independent variable (X) are regressed against organisational performance—and the results show positive and significant relationship ( $R^2$ =.727,  $\beta$ =.804, p=0.00). In path b stakeholder engagement (SE) as the moderator (Z) is regressed on employee motivation and the results show positive and significant relationship ( $R^2$ =.802,  $\beta$ =.500, p=0.00). Further in path c, when an interaction term is considered, the study also gives positive and significant results ( $R^2$ =.841,  $\beta$ =.695, p=0.00) implying that stakeholder engagement adds significantly to the relationship as a moderator. An enhancing type of moderation has therefore been depicted in the model. Thus, the hypotheses that stakeholder engagement does not significantly affect the link between employee motivation and Performance of Level Four government hospitals in Kenya are rejected. As a result, the researcher chose the alternative hypothesis that stakeholder engagement significantly moderates the relationship between employee motivation and Performance of Level Four government hospitals in Kenya.

#### 5.1 Discussion and Conclusion

## **Employee Motivation and Organisational Performance**

The first objective of the study was to establish the relationship between Employee motivation and Performance of Level Four government hospitals in Kenya. The study identifies the regularly employed methods for boosting employee motivation, the many types of motivation, and the overall influence of employee motivating elements on organisational performance through the analysis of the various quantitative and qualitative studies. Employee motivation is typically crucial for the viability and success of a firm. This demonstrates the significance of managers and companies developing strategies to encourage workers to improve their job performance and, as a result, raise organisational performance. Since it enables managers to ensure the growth and development of an organisation, employee motivation serves as one of the most crucial tools in human resource management. Managers can document continuous and desired success in an organisation by using the many sources of motivation effectively and efficiently. To ensure that

maximum staff productivity is obtained and enhanced organisational performance, managers use both monetary and non-monetary incentive variables (Kalogiannidis, 2021).

A simple regression model was employed to test the statistical significance of the independent variable (employee motivation) on the dependent variable (organisational performance). The first null hypothesis states that there is no significant association between employee motivation and performance of Level Four government hospitals in Kenya. The hypothesis was investigated by regressing employee motivation and performance of Level Four government hospitals in Kenya. When employee motivation is held constant, organisational performance remains at 0.639, according to the data. At the same time, a unit increase in employee engagement raises the performance of Level Four government hospitals by 0.804. Because the p value 0.000<0.05 is smaller than the crucial value 0.05, the null hypothesis of no significant relationship between employee motivation and performance of Level Four government hospitals in Kenya was rejected. According to the findings of the study, employee motivation has a significant correlation with the performance of Level Four government hospitals in Kenya.

The findings support Chrest's (2020) study, which found a statistically significant association between employee motivation and leadership behaviours. The research looked at the relationship between employee motivation and leadership behaviours in rural outpatient healthcare settings. Similarly, Deressa and Zeru (2019) discovered a substantial association between work motivation and organisational performance in Hawassa public and private hospitals. The multidimensional work motivation scale (MWMS) was used to assess the nurses' motivation. The study also revealed that performance was influenced by job satisfaction. The study results concur with that by Ali and Anwar (2021) which revealed that compensation as motivation has significant positive and a strong correlation with job satisfaction. Other elements of motivation such as reward, incentive and customer indicated a significant positive influence on job satisfaction.

# **Moderating Effect of Stakeholder Engagement**

The second objective of this research was to assess the moderating effect of stakeholder engagement on the relation between employee motivation and performance of Level Four government hospitals in Kenya. To ensure that all organisational structures are represented from the ground up, it is crucial for an organisation to include stakeholders in its strategic planning procedures. If the stakeholders are included in the planning, it becomes very simple for them to support and carry out the plan. The strategic plan has an impact on a number of stakeholders in any organisation. These stakeholders might also be able to influence this strategy because they might have knowledge, expertise, or insights that would be valuable in its development.

Stakeholders may also be in a position to advance the strategic plan or obstruct it, as well as have a stake in the activities of the decision-makers who approve and carry out any component of the plan. This is a crucial point because it may help or hinder the implementation of a strategy and perhaps result in a performance disparity - the use of an "inclusive approach" in stakeholder interaction, where the institution's goals and values are outlined and shared with all parties. Stakeholders must also be taken into account while designing the institution's strategy by switching from single to triple bottom line reporting and taking economic, social, and environmental concerns into account. In order to integrate their perspective and the intention of their involvement to result in change or a new direction, especially the implementation of strategy, stakeholders must generally be included in the development of a strategic plan (Gupta, Crilly & Greckhamer, 2020).

The hypothesis was tested by using Baron and Kenny (1986) three step models of moderation. The results show positive and significant relationship when an interaction term is considered (R2=.861,  $\beta$ =.277, p=0.00) implying that stakeholder engagement adds significantly to the relationship as a moderator. The moderation therefore is depicted in the model. Thus, the hypotheses that stakeholder engagement does not significantly affect the link between employee motivation and performance of Level Four government hospitals in Kenya is rejected.

The moderating influence of stakeholder engagement was investigated, and the findings were interpreted using the coefficient of determination (R-Square), Analysis of Variance (ANOVA), and regression coefficients. An interaction term (a product of employee motivation and stakeholder engagement) was introduced as an additional predictor in a hierarchical regression analysis. This was accomplished in three steps using the Baron and Kenny (1986) approach. The P value of the interaction term (EM\*SE) is 0.000< 0.05, and the R square increased from 72.7% to 80.2% and 86.1% after the interaction term, indicating that stakeholder engagement moderates the relationship between employee motivation and Performance of Level Four government hospitals in Kenya. As a result, the study rejected the null hypothesis in favour of the alternative hypothesis that there is a significant moderating influence of stakeholder engagement in the relationship between employee motivation and Performance of Level Four government hospitals in Kenya.

The findings are consistent with the findings of Alwedyan (2021), who investigated the relationship between employee motivation and performance and discovered a stronger relationship between job performance and motivation. The descriptive analytical method was used in the investigation. Questionnaires were employed to collect data. Hemakumara's (2020) research found a link between motivation and job performance. Similarly, Mulyani, Sari, and Sari (2020) discovered that motivation had a large and favourable impact on employee performance. The descriptive technique was used in the investigation. In the analysis, a structural equation model programme (SEM) with a linear structural relationship (LISREL) was used. These, however, did not take into account the addition of a moderating and mediating variable. This study will introduce strategy implementation and stakeholder engagement as mediating and moderating variables, respectively, and investigate how they affect the performance of Level Four government hospitals in Kenya.

# **6.1 Recommendation**

# Recommendations on Policy, Practice and Theory

# **Recommendations on Policy**

The study looked at how employee motivation influences the Performance of Level Four government hospitals in Kenya. In addition, the study looked at the mediating influence of strategy implementation as well as the moderating effect of stakeholder engagement on the relationship between employee motivation and Performance of Level Four government hospitals in Kenya.

The empirical data generated will be useful to the government and other sectors in formulating policies aimed at improving employee motivation and performance, employee motivation towards better performance. The study will provide more insights on how the government can best deal with challenges of delay in funds disbursement, frequent strikes over salaries by health personnel, lack of drugs, personal protective equipment (PPEs) and lack of motivation by coming up with structures that consider the welfare and wellbeing of the employees working in the health sector.

The study gives insights to the government on how to stimulate employees' potentials by motivating them and by improving work conditions.

The paper also recommends that new regulations be developed to ensure that stakeholders are involved in decision-making and that programmes are linked to stakeholders in order to improve the Performance of Level Four government hospitals.

According to the poll, firms do not keep their stakeholders informed. Maintaining the current status and continuing with the current programmes will not result in significant cost savings, increased market share, or improved quality. To improve performance, the report recommends that the government enact a policy requiring organisations to employ situation monitoring tools and desist from maintaining the status quo.

#### **Recommendations on Practice**

The study found that each of the characteristics evaluated had an impact on the performance of Level Four government hospitals, either individually or collectively. According to the data, staff motivation in Level Four government hospitals boosts productivity, hence improving organisational performance. Organisation goals are achieved by employees whose achievements and motivation are driven by the rewards and the incentives. Employees are motivated to use their creativity in delivering their tasks and increasing their productivity levels. The organisational commitment and the productivity of the employees are propelled by the motivation of the employees hence the study advocates for employee motivation to be enhanced in Performance of Level Four government hospitals to harness performance.

Employees do make a significant contribution to the growth and success of the firm. It implies that empowering people is a means to achieving employee motivation. It shows how much employees participate in decision-making, whether there is a relationship between them and the organisation, and whether they have authority over the task they are working on. High levels of employee engagement indicate more motivated and satisfied workers. Therefore, involving employees in meetings and discussions and showing them that their ideas and contributions are valued are some ways to boost motivation. Other methods include giving employees time and opportunities to experience the organisation structure and to align with it; giving them more responsibility for the tasks they are in charge of; and giving them the freedom to choose and decide how to complete those tasks. Daily repetition of the same duties also contributes to demotivation, boredom, and a lack of excitement. Therefore, job rotation is recommended in the organisation in order to maintain employee interest and job happiness.

The study recommends that Level Four government hospitals' top management create policies that forbid friendships, conversations, employee interactions, and the exchanging of ideas. The workplace should be enjoyable and provide possibilities for open communication, brainstorming, and discussion.

# **Implication for Theory**

The study has reviewed expansive literature on Performance of Level Four government hospitals. Empirical studies already undertaken have paid little attention on the interactions between employee motivation, strategy implementation, stakeholder engagement and Performance of Level Four government hospitals. Not so much focus has been made on the employee motivation and Performance of Level Four government hospitals and hence the rationale for this study. This research attempted to address contextual gaps that relate to employee motivation, strategy implementation, stakeholder engagement and Performance of Level Four government hospitals.

Employee motivation was found to have a beneficial effect on the performance of Kenya's Level Four government hospitals in the study. The study's findings support goal setting theory, which states that employees should be rewarded if their objectives are met. Goal setting theory explain motivation adequately by what mobilises or energises human behaviour, what directs behaviour toward the accomplishment of some objective and how such behaviour is sustained over time towards realisation of organisational objectives. The objective of operational goals is to help the organisation measure performance and effectiveness. Furthermore, there is correlation identified by researchers between the goal setting and encompasses all aspects of building organisations with efficiency. The theory also allows continuous improvement in objectives and performance and in order to obtain collective performance, there is need for employee motivation.

The theory gives the highest priority to the role of stakeholders in the management framework. Stakeholder theory gives a focus of analysis on the strategic thinking and positions of the stakeholders. Stakeholder theory has introduced business ideas into the organisation through stakeholder engagement. According to the stakeholder theory, organisational management should identify individuals or groups with an interest in or who are impacted by an organisation or project, understand their needs, and specify the steps required to address those needs (Bonnafous-Boucher & Rendtorff, 2016). The successful management of the organisation's operations, the timely delivery of correct information, and the efficient use of capital are highlighted obligations to stakeholders. Using Freeman's definition of a stakeholder, internal and external stakeholders can independently decide an organisation's strategy based on their amount of influence and interest. Notably, stakeholders are essential to strategy implementation and have an impact on an organisation's success.

Effective stakeholder management necessitates proper management of the connection between an organisation and its stakeholders (Freeman, Harrison, & Zyglidopoulos, 2018). An organisation must pay close attention to proper contracts, communication, motivation, and partnership management in particular. Organisations that serve the demands and interests of stakeholders perform better than organisations that do not (Mohammed & Muhammed, 2017). Stakeholder engagement focused on firming the bondage between organisations and their stakeholders. This theory explains the relationship between stakeholder engagement and the Performance of Level Four hospitals.

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