

GENERIC STRATEGIES ON THE PERFORMANCE OF LEVEL FOUR PUBLIC
HOSPITALS IN NAIROBI COUNTY, KENYA

by

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HOSPITALS IN NAIROBI COUNTY, KENYA

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DECLARATION
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I declare that this thesis is my original work and has not been submitted to any other college or university for academic credit.

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DEDICATION

I dedicate this study to my parents, Mr. and Mrs. Christopher Achira, and my grandmother, Mrs. Judy Mbugua, who have stood by me since the inception of my academic life and continue to support my career goals.

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LIST OF ABBREVIATIONS AND ACRONYMS

ANOVA	Analysis of Variance
DU-ISERC Committee	Daystar University Institutional Scientific and Ethical Review Committee
GNC	Ghana Neuroscience Centre
MoH	Ministry of Health
UHC	Universal Health Coverage
USA	United States of America
FBO	Fixed Base Operator
NACOSTI	National Commission for Science, Technology and Innovation
NGO	Non-Governmental Organization

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ABSTRACT

Kenya's healthcare sector is facing a challenging and competitive market, and hospitals need to implement effective strategies to achieve sustainable performance. This study aimed to determine the influence of generic strategies on the performance of level four hospitals in Nairobi County, Kenya. To achieve this aim, the study was guided by the following research objectives: to establish the influence of cost leadership on the performance of Level Four Hospitals in Nairobi County; to evaluate the influence of differentiation strategy on the performance of Level four Hospitals in Nairobi County; and to determine the influence of focus strategy on the performance of Level Four Hospitals in Nairobi County. The study used Porter's generic model, resource-based theory, and contingency theory to investigate the importance of generic strategies in enhancing the organizational performance of public level 4 hospitals. The study adopted a descriptive research design, while data collection was done using structured questionnaires. The collected data was analyzed using descriptive and inferential analysis using the statistical package (SPSS v. 26). The findings revealed that while all three generic strategies, cost leadership ($r= 0.131$, $p<0.05$), differentiation ($r= 0.239$, $p< 0.05$), and focus ($r= 0.219$, $p<0.05$) have a positive influence on hospital performance. However, differentiation and focus strategies have a more significant influence than cost leadership strategies, as the correlation coefficient values indicate. In addition, these results are attributed to the fact that most services and products in these hospitals are government-sponsored, with the government bearing most of the associated costs that patients would typically bear. Hence, the study recommends that integrating and implementing generic strategies in the strategic plan of public hospitals and other public institutions is essential and beneficial as this will boost these institutions' financial and operational performance.

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