

Effects of strategic plan implementation on organizational performance in the public insurance sector: a case of nhif head office, Nairobi.

by

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APPROVAL

EFFECTS OF STRATEGIC PLAN IMPLEMENTATION ON ORGANIZATIONAL PERFORMANCE IN THE PUBLIC INSURANCE SECTOR: A CASE OF NHIF HEAD OFFICE, NAIROBI.

In accordance with Daystar University policies, this thesis is accepted in partial fulfilment of the requirements of for the Master of Business Administration degree.

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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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LIST OF ABBREVIATIONS

CBHI	Community Based Health Insurance
HR	Human Resource
IT-	Information Technology
KRA	Kenya Revenue Authority
KCBHFA	Kenya Community Based Health Financing Association
NHIF	National Hospital Insurance Fund
PCSC	Personal Computer Systems
SPSS	Statistical Package for the Social Sciences

ABSTRACT

The study was designed to identify the effects of strategic plan implementation on organizational performance in the insurance sector, a case of NHIF. Descriptive research design was employed in the study. The study focused on the 2005-2010 strategic plan of the organization. It targeted a population of 323 employees of NHIF and 25% of the sample was drawn from the target population. Data was collected using questionnaires. The data was analyzed using Statistical Package for Social Sciences (SPSS) version 21.0 which generated pie charts and tables. The key finding was that strategic plan implementation experienced challenges mainly because of inadequate and ineffective training of both the employees and senior managers on the process that could ease its implementation. At NHIF, the implementation stood at 48 (70%). The study concluded that targets were mutually agreed upon and those targets were in line with the organizations objectives. In addition, it was found that performance measurements were used to evaluate, control and improve operations process in order to ensure that the organization achieved its goals and objectives. The study recommended that NHIF should initiate a policy of providing opportunities for information technology development for its staff. This would help them to engage closely and creatively with activities that would improve the strategic performance of the organization and that NHIF should simplify its hierarchy structures to ensure easier information flows, more collaboration among the personnel and teamwork. This is likely to help improve staff understanding of the strategic objectives and align their efforts towards attainment of those goals.

DEDICATION

This work is dedicated to my late father, Geoffrey Kariuki Gitahi, who would have loved to see me graduate but never lived to do so. May perpetual light shine on him Lord, May his soul rest in eternal peace, Amen.

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