Firm Performance among Level Five Hospitals in Kenya; Does Market Culture Make Any Difference?

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Abstract: The state of the health sector in a country determines the development of the welfare and quality of life of its citizens. The Kenyan health sector faces challenges in its work that lead to inefficient service delivery. Therefore, this study aimed to examine the effect of market culture on the performance of a Level 5 hospital in Nairobi, Kenya. The study is anchored on the Schein’s theory of organizational culture and stakeholder theory. Both descriptive and explanatory research projects were used. The study targeted 20 level five hospitals in Nairobi County. All the hospitals were included in the study and therefore it was a census. The unit of observation included 10 department heads from each hospital. A total of 200 respondents were expected to participate in the study. Structured questionnaire was used to obtain primary data. Pilot data was used to measure the questionnaire’s reliability. Frequencies, percentages, means, and standard deviation were used in descriptive statistical analysis. Inferential statistics were used to determine how variables were related. It consisted of correlation and regression analysis to assess the relationship between the independent and dependent variable. The findings of the correlation analysis found out that market culture had a positive and significant relationship with firm performance \( r=0.604, p=0.000 \). Further, regression output indicated that market culture had a positive and significant effect on firm performance \( \beta=0.492, p=0.000 \). Therefore, the study concluded that market culture has a substantial contribution to the performance of level 5 hospitals. The management of level five hospitals should ensure policies are streamlined to strengthen the aspects of market culture within the organization. The management should particularly promote productivity, effectiveness, and result in optimization.

Keywords: Market culture, firm performance, level five hospitals

1. INTRODUCTION

Due to difficult business features, many businesses struggle to succeed in a highly competitive global market. Rising global price competitiveness and meeting the needs of various stakeholders are among these challenges (Bolboli & Reiche, 2014). Efficiency is a vital element in a company's survival (Erdorf, Hartmann-Wendels, Heinrichs & Matz, 2013). According to Andaleeb, Siddiqui, and Khandakar (2007), the state of a country's health sector has a significant influence on the security and quality of life of its people. Therefore, studying the effectiveness of the health sector in Kenya is of utmost importance and would contribute to the development of the sector and the country.

Poor cultural integration in a diversified company affects the company's economic performance and shareholder value (Idris, Wahab & Jaapar, 2015). Over 90% of corporate excellence programs fail due to a lack of cultural integration (Bolboli & Reiche, 2014). Organizations perform poorly and productively due to a lack of an appropriate organizational culture (Eaton & Kilby, 2015). Organizational management must consider the value of an efficient organizational culture to improve efficiency and productivity, according to Viegas-Pires (2013).

Employees in China believe that the culture of a public hospital is greater in terms of internal rules and regulations but poorer in terms of empowerment (Zhou, Bundorf, Le Chang, Huang & Xue, 2011). Outpatient visits and sleep days per day are higher in hospitals where workers believe a cost-cutting culture exists, but patient satisfaction is lower. Hospitals with a culture that is perceived by customers have a longer stay period but lower patient satisfaction.
In Qatar, the Primary Health Care Corporation (PHCC) is responsible for managing primary health services for citizens. PHCC plays an important role in improving the quality of health services for those who use it. PHCC’s vision is to be the preferred primary provider in Qatar (Alshamari, 2017). Its primary goal is to improve health and well-being through primary health care that is comprehensive, integrated, human-centered, and affordable. PHCC aims to provide excellence through health services, facilities, and infrastructure. To achieve this, they work to excel in terms of workforce, services, and partnerships.

Due to several issues, the overall performance of Nigeria's health institutions is regarded as extremely poor. The quarter is lacking in providing regular training and re-education programs for their employees, which may have resulted in a slew of quacks, incompetent, and unmotivated employees in the health field, a lack of adequate carrier shipping, numerous deaths, and a large number of patients traveling abroad for treatment, all of which have an impact on profitability (Ghasi, Onyejiaku & Nkonta, 2018). The fitness zone is also facing industrial unrest, which could be the result of a lack of cooperation among employees, affecting their dedication. Patients' satisfaction, sustainability, viability, and the general development of the health sector are all seen to be influenced by fitness facilities' incapacity to focus greater attention on patient care via patient-health-conscious culture.

In Kenya, the 2010 constitution stipulates that local governments are solely responsible for health service delivery. The Kenya Health Policy (2014-2030) outlines reforms in healthcare delivery, with the existing six-tier system being replaced by a four-tier system by 2030. The Kenya Essential Health Package (KEPH), which seeks to ensure that those who need services can access them without undue financial burden, defines the package of services offered at each level of treatment (Kenya Health System Assessment, 2019).

According to the Kenya Health System Assessment Report (2019), KEPH's fourth strategic strategy for the health sector calls for Universal Health Care (UHC). However, KEPH implementation is hindered by a lack of sufficient infrastructure to provide services, as well as persistent regional disparities in access to treatment, healthcare quality, and service use. In the lowest quintile, for example, 8.7% of households had catastrophic healthcare expenses. Poor adherence to clinical protocols, which is exacerbated by insufficient supervision, hurts service quality. People seek treatment at a higher level than required due to perceived inadequate quality of care at the primary level, as well as continuing problems with the referral system, adversely affecting the health system's overall performance.

The capacity of an organization to achieve its purpose through good governance, sound governance, and a consistent dedication to achieving results is referred to as firm performance (Louise, 2012). This is the efficiency of the company in achieving its goals. So, it can mean that something has been completed or something is happening or that an activity is being prepared for a new need. High efficiency is when all parts of the company work together to achieve extraordinary results, and results are measured by the value they bring to stakeholders (Islam, 2014). Numerous researchers have adopted different measures of firm performance in the health sector. Acar and Acar (2014) conceptualized corporation performance in terms of wide variety of personnel, degree of pride of employees, quantity of sufferers, patient complaints, service satisfactory, and economic fulfillment of new services. Amolo (2018) measured firm performance using quality service, specialized treatment and resource allocation. Omondi (2016) operationalized firm performance in terms of quality, affordability, accessibility, and acceptability. In this study, firm performance of level five hospitals was measured using quality service, specialized treatment, resource allocation, customer satisfaction, employee commitment and affordability.

Market culture is a results-oriented workplace where the emphasis is on winning, outperforming competitors, rising stock prices, and becoming a market leader (Asaah et al., 2015). Close proximity to consumers would result in timely business insight, joint product development efforts, and strong brand loyalty, all of which can contribute to improved financial performance (Tan, 2019). Market-driven corporate culture is increasingly being seen as a key element for superior corporate success (Hussain, Ismail & Akhtar, 2015). The authors discovered that business culture fosters corporate creativity, which has an effect on firm efficiency. Cameron and Quinn (2011) operationalized market culture using productivity, effectiveness, competitiveness and results optimization. In this study, market culture was conceptualized using productivity, effectiveness and results optimization.
The level five hospitals in Nairobi are paramount in facilitating government objectives of providing affordable and quality health services to Kenyans and by extension serving neighboring countries. They are an essential segment of the health system of the county and stand in place of district hospitals' referral hospitals as a mediating facility between the districts and national referral hospitals (Ministry of Health [MoH], 2019). They also act as regional centers for providing specific care such as intensive care and life support and consultations from specialist health care providers. The level five hospitals comprise various medical professionals such as specialized nurses and midwives, general medical physicians and pediatricians (MoH, 2019).

2. STATEMENT OF THE PROBLEM

The condition of a country's health sector defines its growth in terms of its citizens' welfare and quality of life. However, it is estimated that the health care sector in Kenya has lost between 10% and 18% of sales due to inventory shortages (Murphy, 2018). The lack of essential medicines in some hospitals has led to malaria cases. For example, it is estimated that more than 40% of outpatients and 60% of cases in children's hospitals suffer from malaria (Agango & Achuora, 2018). In addition, 8.7% of households in the poorest quintile experience a reduction in health-care costs, according to the data. People seek treatment at a higher level than required due to poor standard of care at the baseline level and continuing problems with the referral system, which hurts the health system's overall performance (KHSA, 2019).

Previous studies have linked organizational culture to firm performance. However, these studies present various research gaps. Studies such as (Wambugu, 2014; Indiya, Obura & Mise, 2018; Misigo, Were & Odhiambo, 2019) present contextual gaps since they were carried in different contexts from the current research. Because of these contextual discrepancies, the investigations' results and conclusions are not relevant to this report. In particular, the mentioned studies focused on other sectors and not the health sector. Further, other studies indicate conceptual gaps. Omukaga (2016) study focused on employee performance, which is a narrowed aspect of firm performance. Additionally, there exists a methodological gap. Ngara (2018) was limited to only one organization. The current study surveyed level five hospitals. With the above knowledge gaps in mind, the study aimed to evaluate the impact of market culture on the performance of level five hospitals in Nairobi City County, Kenya.

3. LITERATURE REVIEW

3.1. Schein's Theory of Organizational Culture

Schein (1992) offered Schein's organizational culture concept, which consists of three areas: primary assumptions, perceived values, and objects. Products, physical environments, vocabulary, technology, clothes, myths and tales, written beliefs, rituals, and ceremonies are examples of artifacts that are superficial, observable, readily recognizable, and perceived organizational cultures (James & Jones, 2005). Among the beliefs and values attached are the founders' and leaders' strategies, objectives, common perceptions, mutual assumptions, norms, beliefs, and values.

Essential notions, as well as deeply ingrained, implicit, and ordinary assumptions that may be shared with others, are the most important stage of a company lifestyle (James & Jones, 2005). Any handle to this presumption triggers anxiety and protection. According to Magee (2002), organizational participants accept those conclusions. The majority of the assumptions are based on ideals and principles. Values refer to expectations that are desirable and desired, while beliefs rely on fact and are based on experience. This is a unique philosophy that everyone in the company adheres to. This, in turn, influences how these people interact with one another and with strangers. Corporate culture is formed when these ideals and values are shared (Azhar, 2003). The assumptions, perceived values, and objects that characterize organizational culture are explained in Schein's organizational culture theory, which applies to this analysis. Accepting these facets would help organizations achieve better outcomes. Clan, hierarchical, market, and adhocracy culture are the four dimensions of organizational culture examined in this analysis.

3.2. Stakeholders Theory

Friedman and Miles (2006) originally created the theory and promotes the concept of a firm performance. According to Hubbard (2009), stakeholder preferences are used to measure the efficacy
of company policies. The performance of each company is attractive to a number of major countries. The main players interested in business performance are investors / owners, customers and employees at level five hospitals. Therefore, stakeholders pay attention to company behavior and activities to ensure increased productivity.

Efficiency factors that are of interest to stakeholders based on this concept include income, liquidity, and return on investment (Borror, 2009). The interest of investors lies in maximizing their wealth return on capital. The state is also concerned about the operation of hospitals because it receives corporate tax revenues. In particular, customers are concerned about the organization's ability to meet their increasing needs. In addition, employees pay attention to sales, because their productivity is measured by their sales (Borror, 2009).

Stakeholder principle is applicable to the current survey because it emphasizes the idea of corporate representation. Based on theoretical arguments, the company's performance is expected by various stakeholders. Level five hospitals have high expectations from stakeholders such as owners, government agencies, vendors, employees, and customers about business performance. Therefore, hospital management has a role to ensure that stakeholders' needs are met. Therefore, stakeholder theory supports firm performance.

3.3. Empirical Literature

Eisend, Evanschitzky, and Gilliland (2016) performed a meta-analysis of the cumulative impact of corporate and national culture on new product effectiveness. 489 effect sizes from 123 manuscripts were used in the meta-analysis. The findings showed that the market culture organization showed the highest new product productivity, while the hierarchical organization showed the lowest productivity. The value suitability effect is supported by the influence of national culture variables, which indicates that in individualistic societies, clan culture is less influential; adhocratic culture is less influential because it avoids ambiguity, and hierarchical culture is more influential when control is removed. The superior influence of a specific form of consumer culture may be contrasted to other organizations' guidelines, but only for national cultures. The combined results highlight the importance of companies wishing to increase the success of their new products in the international market to assess the alignment of national culture with the culture of the company organization. However, the study carried out a meta-analysis whose discussion was based on the results of various studies. This means that there was no collection of data from sources implying that people's views were not factored in. In the current study, the researcher collected first-hand information from the target respondents.

Acar and Acar (2014) compared the impact of different organizational cultures in private and public hospitals on business outcomes. To investigate the research questions, 512 workers from 99 hospitals in Turkey were polled and data was collected from them. According to descriptive figures, the Turkish healthcare industry's dominant organizational culture is a hierarchy, led by consumer and clan cultures. However, these studies rely solely on descriptive statistics to conclude. Descriptive statistics are not sufficient to explain causal relationships. Statistics, such as correlation and regression, were used in this analysis to create a causal association between the variables under investigation.

Mwashighadi and Kising'u (2017) centered on industrial banks in Voi Sub County to investigate the impact of organizational culture on organizational effectiveness. Respondents were chosen using stratified random samples. A questionnaire is the most popular way of gathering survey data. The thesis included qualitative data analysis. The survey concluded that the current organizational culture must support and be compatible with planned strategies and the daily flow of employee activities to enhance company success. The research also found that the bank has adopted a market culture, placing a higher emphasis on orders, rational production, and meeting targets, as well as external relationships with vendors, clients, subcontractors, and competitors. To distinguish markets from other societies, banks often place a greater emphasis on competition with rivals and market success. However, since this research focuses on commercial banks, the new study would concentrate on healthcare entities, there is a contextual difference. These organizations operate in different sectors and it would be impractical to generalize the findings from one sector to fit the other sector.

Thuku, Abiero, and Juma (2013) studied organizational culture and employee productivity at East African Breweries Ltd (EABL). This study aims to see how organizational culture, hierarchical culture, and clan culture influence employee productivity. The research design for this study is a case
study, with the goal of gathering data from the target community of EABL employees through a questionnaire. Quantitative and qualitative approaches were used to evaluate and interpret the data. There was a connection between organizational culture and employee efficiency, according to the findings. Since the company only exists to do business and raise income, market culture is the most influential factor influencing employee efficiency. The study however was centered on one organization, and this narrows the depth of the findings. The current study targeted several health organizations.

3.4. Conceptual Framework

The hypothetical relationship between the independent and dependent variables in this analysis is depicted in Figure 1. Market culture make ups the independent variable. Firm performance is the dependent variable.

![Conceptual Framework](source)

**Figure 1. Conceptual Framework**

Source: Researcher (2021)

4. RESEARCH METHODOLOGY

The study adopted both descriptive and explanatory research designs. This mixed strategy for data collection and analysis has been adopted in past similar studies (Kinyua, 2015; Kyengo, Muathe & Kinyua, 2019; Muthimi, Kilika, & Kinyua, 2021). The study targeted 20 level five hospitals in Nairobi County. All the hospitals were included in the study and therefore it was a census. The unit of observation included 10 department heads from each hospital. A total of 200 respondents were expected to participate in the study. A structured questionnaire was used to obtain primary data. The analysis used descriptive and inferential statistics to evaluate the results. Frequencies, percentages, means, and standard deviation were used in descriptive statistical analysis. Correlation and regression analysis were used to assess the relationship between the independent and dependent variables.

5. RESULTS AND DISCUSSION

5.1. Response Rate

The researcher administered 200 questionnaires to respondents in selected level five hospitals. The summary of the response rate is provided in Figure 4.1.

![Response and Non-Response Rate](source)

**Figure 2. Response and Non-Response Rate**

Source: Researcher (2021)
Figure 1 shows that 144 of the 200 questionnaires distributed were completed and returned, giving a 72 percent response rate. The remaining 56 questionnaires were either not returned or filled out improperly. For analysis, a response rate of more than 50% is considered satisfactory (Saunders et al., 2009). The researcher therefore considered a response of 72% to be sufficient for analysis.

5.2. Reliability of the Research Instrument

Cronbach Alpha coefficient was used, with 0.7 as the cut-off threshold was used to test dependability of the data tool. The coefficient evaluates the internal consistence or homogeneity among the research instrument items (Cronbach, 1951). As such, items with Cronbach Alpha value greater than 0.7 were adopted. The decision criteria chosen has been widely used in past social researches (Kinyua, Muathe & Kilika, 2015; Kimaru, & Kinyua, 2018; Mugo, Kahuthia & Kinyua, 2019; Chepkosgei, Kahuthia & Kinyua, 2020; King’oo, Kimencu & Kinyua, 2020; Murerwa & Kinyua, 2021). The results of reliability analysis are shown in Table 1.

Table 1 indicates the outcome.

Table 1. Reliability Test Results

<table>
<thead>
<tr>
<th>Variable (N=20)</th>
<th>No of Items</th>
<th>α ≥0.7</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firm Performance</td>
<td>7</td>
<td>0.905</td>
<td>Reliable</td>
</tr>
<tr>
<td>Market Culture</td>
<td>8</td>
<td>0.775</td>
<td>Reliable</td>
</tr>
</tbody>
</table>

Source: Researcher (2021)

Table 1 shows that firm performance had a Cronbach alpha coefficient of 0.905, and market culture had 0.775. The coefficients were >0.7, suggesting that items of the questionnaire had internal consistence for measuring the research constructs.

6. DESCRIPTIVE RESULTS

The participants revealed their agreement with the statements relating to firm performance. Results are presented in Table 2.

Table 2. Descriptive statistics on firm performance

<table>
<thead>
<tr>
<th>Statements</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>M</th>
<th>S. D</th>
</tr>
</thead>
<tbody>
<tr>
<td>The services offered at the hospital are of top quality</td>
<td>2.1%</td>
<td>9.0%</td>
<td>2.8%</td>
<td>40.3%</td>
<td>35.8%</td>
<td>44.1%</td>
<td>19.1%</td>
</tr>
<tr>
<td>There is top quality professionalism at the hospital</td>
<td>3.5%</td>
<td>6.2%</td>
<td>6.2%</td>
<td>47.2%</td>
<td>36.4%</td>
<td>4.1%</td>
<td>1.00%</td>
</tr>
<tr>
<td>The hospital offers specialized treatment to patients requiring special attention</td>
<td>2.1%</td>
<td>4.9%</td>
<td>4.2%</td>
<td>35.4%</td>
<td>53.8%</td>
<td>4.1%</td>
<td>1.00%</td>
</tr>
<tr>
<td>Customers are satisfied with the services delivered at the hospital</td>
<td>2.8%</td>
<td>2.8%</td>
<td>5.6%</td>
<td>46.5%</td>
<td>42.4%</td>
<td>4.2%</td>
<td>1.39%</td>
</tr>
<tr>
<td>Employees are committed to their tasks allowing focus on quality service delivery</td>
<td>1.4%</td>
<td>2.8%</td>
<td>4.2%</td>
<td>45.1%</td>
<td>46.4%</td>
<td>4.0%</td>
<td>3.30%</td>
</tr>
<tr>
<td>The services at the hospital are easily accessible by the citizens</td>
<td>3.5%</td>
<td>3.5%</td>
<td>3.5%</td>
<td>43.1%</td>
<td>46.8%</td>
<td>4.2%</td>
<td>1.00%</td>
</tr>
<tr>
<td>There is an active and functional feedback mechanism to encourage communication with the patients</td>
<td>2.1%</td>
<td>0.7%</td>
<td>5.6%</td>
<td>45.8%</td>
<td>45.8%</td>
<td>4.0%</td>
<td>1.39%</td>
</tr>
<tr>
<td>Aggregate mean</td>
<td>4.5%</td>
<td>0.7%</td>
<td>5.6%</td>
<td>45.8%</td>
<td>45.8%</td>
<td>4.2%</td>
<td>0.91%</td>
</tr>
</tbody>
</table>

Source: Researcher (2021)

The results shown in Table 2 show that the majority of respondents believed that the health facility's services are of high quality, as evidenced by a mean of 4.19 and a standard deviation of 1.0. The repliers further agreed with the statements that there's top-quality professionalism at the health facility (mean = 4.08, std. dev = 1.0), the hospital offers specialized treatment to patients requiring special attention (mean=4.33, std. dev=0.92) and customers are satisfied with the services delivered at the hospital (mean=4.23, std. dev=0.89).
Additionally, most of the respondents agreed with the claims that employees are committed to their tasks allowing focus on quality service delivery (mean=4.33, std. dev=0.80); the services at the hospital are easily accessible by the citizens (mean=4.26, std. dev=0.94); and there is an active and functional feedback mechanism to encourage communication with the patients (mean=4.33, std. dev=0.79). An aggregate mean of 4.25 and a standard deviation of 0.91 support the replies on various dimensions of company performance. This indicates that the participants agreed on the aspects of company performance measurement. The low variability indicates that the participants agreed with most aspects of firm performance.

The respondents were requested to suggest their level of agreement with the statements regarding marketplace tradition. Table 3 shows the outcome.

Table 3. Descriptive statistics on market culture

<table>
<thead>
<tr>
<th>Statements</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>M</th>
<th>S, D</th>
</tr>
</thead>
<tbody>
<tr>
<td>The hospital is focused on quality service provision and productivity</td>
<td>6.9</td>
<td>4.2</td>
<td>3.5</td>
<td>46.5</td>
<td>38.9</td>
<td>4.0</td>
<td>1.1</td>
</tr>
<tr>
<td>Productivity in the hospital is based the optimization of my performance</td>
<td>5.6</td>
<td>6.2</td>
<td>3.5</td>
<td>38.2</td>
<td>46.5</td>
<td>4.1</td>
<td>1.1</td>
</tr>
<tr>
<td>Market culture has built a system geared towards effectiveness in operations</td>
<td>3.5</td>
<td>5.6</td>
<td>6.2</td>
<td>41.7</td>
<td>47.9</td>
<td>4.2</td>
<td>0.9</td>
</tr>
<tr>
<td>between and within departments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The hospital management encourages employees to optimize the results</td>
<td>2.1</td>
<td>7.6</td>
<td>6.2</td>
<td>46.5</td>
<td>39.6</td>
<td>4.6</td>
<td>0.9</td>
</tr>
<tr>
<td>Performance is appraised and optimized based on employee specialization for</td>
<td>4.9</td>
<td>6.2</td>
<td>4.9</td>
<td>45.1</td>
<td>38.9</td>
<td>4.0</td>
<td>1.0</td>
</tr>
<tr>
<td>better results</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Top performers are recognized and rewarded to maintain efficiency</td>
<td>9.0</td>
<td>9.0</td>
<td>6.2</td>
<td>34.0</td>
<td>42.4</td>
<td>3.9</td>
<td>1.2</td>
</tr>
<tr>
<td>The leadership of the hospital encourages professionalism among the staff</td>
<td>7.6</td>
<td>9.0</td>
<td>6.2</td>
<td>39.6</td>
<td>40.3</td>
<td>3.9</td>
<td>1.2</td>
</tr>
<tr>
<td>The leadership of the hospital are geared towards enhancing competitiveness</td>
<td>4.2</td>
<td>3.5</td>
<td>2.1</td>
<td>41.0</td>
<td>49.3</td>
<td>4.2</td>
<td>0.9</td>
</tr>
<tr>
<td>for productive performance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aggregate mean</td>
<td>4.1</td>
<td>1.0</td>
<td>1.0</td>
<td>8</td>
<td>8</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Researcher (2021)

Table 3 reveals that the majority of respondents agreed with the statement that the health facility is focused on providing high-quality service and productivity, as evidenced by a mean of 4.06 and variance of 1.10. The respondents also agreed that the clinic's efficiency is entirely dependent on improving staff's overall performance (mean=4.14, standard deviation=1.11); market culture has built a system geared towards effectiveness in operations between and within departments (mean=4.25, std. dev=0.99); and the hospital management encourages employees to optimize the results (mean=4.14, std. dev=0.96).

Further, most of the respondents agreed with the declaration that overall performance is appraised and optimized based totally on worker specialization for better effects (mean=4.07, std. Dev=1.06); top performers are recognized and rewarded to maintain efficiency (mean=3.92, std. dev=1.28); the leadership of the hospital encourages professionalism among the staff (mean=3.96, std. dev=1.22); and leadership of the hospital is geared towards enhancing competitiveness for productive performance (mean=4.28, std. dev=0.98).

The overall mean of 4.11 supports the replies on various facets of market culture. This implies that the participants demonstrated agreement with the aspects measuring market culture. The low variability indicates that the participants agreed with most aspects of market culture. These findings suggested that the respondents acknowledged the importance of market culture in their organization.

7. **Inferential Analysis**

The objective of the study was to establish the effect of market culture on the performance of level five hospitals in Nairobi City County, Kenya. To achieve the objective, the study conducted correlation and regression analysis.
7.1. Correlation Analysis

This section presents correlation analysis results on the relationship between market culture and firm performance. The findings are shown in Table 4.

**Table 4. Correlation Analysis Results**

<table>
<thead>
<tr>
<th></th>
<th>Firm performance</th>
<th>Market Culture</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firm performance</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
</tr>
<tr>
<td>Market Culture</td>
<td>Pearson Correlation</td>
<td>.604**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>144</td>
</tr>
</tbody>
</table>

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

*Source: Researcher (2021)*

The findings in Table 4 revealed a 0.604 link between market culture and performance. \( p = 0.000 \) was the significant value, which was less than 0.05. This indicated that market culture and performance had a strong positive and substantial link. This implies that both market culture and performance change in the same direction. The findings were in agreement with Mwashighadi and Kising'u (2017) assertions that organizations have adopted a market culture, placing a higher emphasis on orders, rational production, and meeting targets, as well as external relationships with vendors, clients, subcontractors, and competitors. The outcomes also mirrored those of Thuku, Abiero, and Juma (2013) who found out that market culture was the most influential factor influencing employee efficiency. Similar sentiments were shared by Eisend, Evanschitzky, and Gilliland (2016) who concluded that market culture organization showed the highest new product productivity.

7.2. Regression Analysis Results

Regression analysis was performed using simple linear regression analysis. The independent variable (market culture) was regressed against the dependent variable. The findings are shown in Tables 5, 6, and 7.

**Table 5. Model Summary for Market Culture**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.604*</td>
<td>0.365</td>
<td>0.36</td>
<td>0.31453</td>
</tr>
</tbody>
</table>

*a. Predictors: (Constant), Marketculture*

The R-value of 0.604 in Table 5 demonstrates that market culture and company performance have a strong positive linear association. Similarly, the results show R square and adjusted R square values of 0.365 and 0.36, respectively. As a result, the modified coefficient of multiple determination, which offers the explanatory power of the created statistical model, is 0.36. This means that the market culture account for 36 percent of level five hospital performance.

**Table 6. ANOVA**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>8.064</td>
<td>1</td>
<td>8.064</td>
<td>81.518</td>
</tr>
<tr>
<td>Residual</td>
<td>14.048</td>
<td>142</td>
<td>0.099</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>22.112</td>
<td>143</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*a. Dependent Variable: Firm performance*

Table 6 shows that the established statistical model fit the observed data well, with an F-statistic of 81.518 at a 0.000 level of significance less than the 0.05 threshold. The results indicated that the proposed model predicted the dependent variable with statistical significance (excellent fit).

**Table 7. Regression Coefficients**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>2.228</td>
</tr>
<tr>
<td>Market culture</td>
<td>0.492</td>
<td>0.055</td>
</tr>
</tbody>
</table>

*a. Dependent Variable: Firm performance*
Model

\[ \text{Firm performance} = 2.228 + 0.492 \times \text{Market Culture} \]

This study sought to determine the impact of market culture on the performance of Level 5 hospitals in the city of Nairobi County, Kenya. The results of the study indicate that market culture has a positive and significant effect on firm performance. This is supported by a beta of 0.492 and a p-value of 0.000. The p-value is below 0.05 with a 95% confidence interval. The results showed that changing the market culture unit would change the performance of Level 5 hospitals by 0.492. The outcomes mirrored those of Thuku, Abiero, and Juma (2013) who found out that market culture was the most influential factor influencing employee efficiency. Similar sentiments were shared by Eisend, Evanschitzky, and Gilliland (2016) who concluded that market culture organization showed the highest new product productivity.

8. CONCLUSION

The results of the correlation analysis found out that market culture has a positive and significant relationship with firm performance. Further, the regression output established that market culture has a positive and significant effect on firm performance. Therefore, this study concluded that market culture has a substantial contribution to the performance of level 5 hospitals.

9. RECOMMENDATIONS

The management of level five hospitals should ensure policies are streamlined to strengthen the aspects of market culture within the organization. The management should particularly promote productivity, effectiveness, and result in optimization.

REFERENCES


Firm Performance among Level Five Hospitals in Kenya; Does Market Culture Make Any Difference?


**AUTHORS’ BIOGRAPHY**

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