
Employee Empowerment and Service Delivery in the National Hospital Insurance Fund in Wajir County, Kenya

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ABSTRACT

National Hospital insurance fund has faced so many challenges regarding customer satisfaction and service delivery. Majority of the National Hospital Insurance Fund accredited facilities in Wajir County have failed to satisfy the customers or members. The problem has escalated to Mashaalah nursing home and even to Jeddah nursing home which are situated in Wajir County. Therefore the aim of this study was to investigate the effect of employee empowerment on service delivery in national hospital insurance fund Wajir County, Kenya. The study was guided by quality improvement theory. Descriptive research design was used and data collected from five accredited national hospital insurance fund facilities located in Wajir County. The respondents of the study will be 114 members. The study used the primary data which was collected through the use of questionnaire. Data was analysed with the help of SPSS and presented in tables and figures. The findings on employee empowerment found that the NHIF builds on the capacity of the employees for it enables employees to participate in decision-making. The respondents moderately agreed that the organisation encourages compliance and commitment both within and among the employers. The results on the relationship between employee empowerment and service delivery in NHIF was positive and significant. The County Government of Wajir should consider improving on the communication and information related to the benefits of being a member of NHIF.

Key Words: Employee Empowerment, Service Delivery, National Hospital Insurance Fund in Wajir County

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1. Introduction

Service delivery in an organisation has changed more of creating Business Services pacifically means the customer needs. Service delivery entails developing strategy and shifting the environment in which operating with the name of satisfying customers needs. There is need to develop all the companies and service providers in ensuring that there is a platform that will help pursue long-term effectiveness and value creation to all the customers by ensuring that we put the strategy leadership and execution of the quality products through ensuring that we ensure cost-effectiveness and consistent user friendly services (Deloitte, 2016). In there research, Andy Eichfeld et al, (2017) found out that organizations need to build on the service delivery processes

they already have, strengthening what works and transforming the rest in the process of continuous improvement. Sila (2017) establish that Kenya is not left behind in ensuring and minimising the total cost of production through efficiency production sole-sourcing and proper and quality service delivery. The author argued that the cost of service delivery is reduced by limiting the number of suppliers to the farm and providing them with the necessary technology and training. Service quality delivery is correlated positively with quality management Initiative for it emphasizes on the totality of quality in all facets which includes the supplier partnership and total quality approach. Total quality approach will create and integrate all the methods of analysing and operationalizing by focusing the process of production on customer satisfaction. According to Andrle (2014) it requires that quality be built into the process of production that there is efficiency in the operations.

Strategic quality management (SQM) initiatives are those that are adopted by organizations in their effort to improve on their organizational performance in today's global and competitive market environment. There are several SQM initiatives that both manufacturing and services firms adopt in order to achieve competitive advantage. These include but not limited to total quality management (TQM), continuous quality improvement (CQI), six-sigma, just-in-time (JIT), supply chain management (SCM) approaches, Talib, Rahman and Qureshi (2010) benchmarking, Sajjad and Amjad (2012), monitoring, top management commitment, quality training, and involvement, employee involvement, customer focus, concurrent engineering initiatives, Belay, Helo, Takala and Kasie (2011), customer focus, leadership, continuous improvement, strategic quality planning, design quality, speed and prevention, people participation and partnership, and fact-based management, Tummala and Tang (1994) and quality awards. Some of these initiatives are examined individually in the following subsections of the literature review.

The NHIF is a government-owned corporation originally established in 1966 as a sub-department of the MOH. Today, the NHIF is no longer a part of the MOH, but operates independently with a wide network of over 400 accredited governmental private and mission health providers spread across the country³⁶. In short, the NHIF provides basic inpatient insurance cover to a wide array of individuals, both within the formal and informal sector. Previously, the benefits from NHIF were quite limited and the members were mainly in the high-and middle income bracket. This is no longer the case, and today the NHIF membership is compulsory for all persons engaged in formal employment, and voluntary for the self-employed or informal employed who have attained the age of 18 years. The NHIF operates under the social principle that “the rich should support the poor, the healthy should support the sick and the young should support the old”. In order to ensure countrywide coverage for its members, the NHIF cooperates with both public and private health providers certifying that the certain minimum requirements are met and divides them, depending on the hospitals price level into three different categories each with a different level of coverage. Category A comprises of government hospitals providing full cover for maternity and medical diseases including surgery. Category B corresponds to private and mission hospitals, and these offer similar coverage as the government hospitals except for surgery. Category C is mainly private hospitals, and members will only receive limited services such as overnight bed coverage (Ministry of Health, 2013).

2. Statement of the Problem

Service delivery to members is the fundamental aim of any health fund and the assessment of clients' satisfaction therefore forms an important component in continuous evaluation of service delivery to a health fund hence the need of a good strategic plan (Donabedian, 2012). NHIF has gone through various reforms and changes to enable it deliver its services effectively and efficiently through the formulation and implementation of key quality management plan which is envisaged in the strategic plan. In the years 2013,2014,2015,2016,2017 and 2018 NHIF has not performed to the expectations of its members with many feeling that they do not get value for their money. NHIF service provision in Wajir County, Kenya have faced many challenges with the members faced to cover many kilometres to access the services, time taken to pay the claims and few experts offering the service in the NHIF accredited facilities. The implementation of the strategic plans was believed will help change these perceptions and help improve its performance but little if none have been experienced (McDowell & Newell, 2016). The members have complained about poor service delivery such as delays in claims payments and cards processing. Despite the contribution of NHIF to the health sector and growth of economy in Kenya, few studies have been done in regard to NHIF service provision. The current study will seek to fill the gap by determining the employee empowerment on service delivery in the National Hospital insurance fund in Wajir County Kenya.

3. Objective of the Study

- i. To establish the effect of employee empowerment on service delivery of NHIF, Wajir County

4. Theoretical Review

Quality Improvement Theory was postulated by Deming in 1986. The theory states that the management is responsible for the systems, and that it is the system that generates 80 percent of the problems in firms (Hill, 1995). Deming (1986) noted that no quality management system could succeed without top management commitment; it is the management that invests in the processes, creates corporate culture, selects suppliers and develops long-term relationships. The top management should be committed to applying the principles and practices of System of Profound Knowledge (SOPK), where a business can simultaneously reduce costs through reducing waste, rework, staff attrition and litigation while increasing quality, customer loyalty, worker satisfaction and ultimately, profitability (Deming, 1986).

5. Empirical Review

Mohanty and Lakhe (2012) determines to establish the effect of employee empowerment and organisational performance among state agencies in Thailand. Exploratory research design was used and data collected from 148 employees working in the state agencies in Thailand. The study established that the employees who know the most about a certain process are those who do it more frequent. The study established that training employees well and giving them responsibility to inspect quality of their work eliminate the cost of inspections and control. The study findings left a gap for it did not present the inferential statistics am results relating to the relationship between employee empowerment and organisational performance. The current study filled the gap by establishing the correlation between employee empowerment and service delivery. Matisia (2010) study on the employee performance improvement and security in the Kenyan organisation. The study focused generally on all the organisations in Kenya ie the manufacturing sector the agricultural sector the health sector organisation. Data was collected from 511 respondents.

Destiny established that measures such as teamwork the harder I work practices involvement employee involvement concentration on social well-being improves performance of the organisation. The study recommended that changes in the behaviour of the employees can be managed through the monitoring of the attitude changes in behaviour and ensuring that employees are secure in their work environment. The study presents a conceptual gap since it concentrates on security in Kenyan organisation while the current study concentrated on service delivery.

Chandler and Mc Evoy (2012) studying the relationship between employee involvement employee education skills and experience and the performance of the employees. The study established that employee involvement creates a feeling of psychological ownership among in the organisation. However the study established that employee involvement is a narrow-minded approach and it is more of job-centered rather than process centered. The study presented a conceptual gaps in the current study concentrated on service delivery while they reviewed study concentrated on employee performance. Zhang (2018) studied the effect of employee training, rewards management of total quality management on performance of the employees and production. The study used descriptive research design. Data was collected from 148 workers. The study found that the powerful performance of any business is achieved through training of employees which enables in quality improvement. The study established that training of employees identifies achievement opportunities which improves the skills and knowledge for the employees and this enables quality improvement process in production. The researcher concluded that Training and Development should not be seen as a one-time program but her lifelong process. The concept of the study was on training while the current studies concept was quality management initiatives.

6. Research Methodology

A descriptive research design was used. The target population for this study comprised of 5 NHIF accredited facilities in Wajir County. The respondents in the study was therefore be NHIF members. Since the population is small, a census adopted involving all the members of the population in the study. The questionnaire was administered using a drop and pick later method. Data collected was analyzed by the use of descriptive statistics using SPSS (Version 22) and presented through percentages, means, standard deviations and frequencies. The information was displayed by use of bar charts, graphs and pie charts and in prose-form.

7. Research Findngs and Discussion

Regression analysis was used to show the relationship between dependent and independent variable. The predictor variable was employee empowerment. The predicted variable was the service delivery in NHIF in Wajir. The model summary was used to present the correlation coefficient and the coefficient of determination. Correlation coefficient measures the strength and nature of the relationship between variables while the coefficient of determination measures the extent to which the independent variable will determine the changes in the dependent variable.

Table 1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.751 ^a	.564	.501	.23416

Source: Research Data (2020)

It is evident that employee empowerment contributed to 50.1% changes in the service delivery in NHIF in Wajir County (Adjusted R-squared of 50.1%). It is true that 49.9% of the changes of service delivery in NHIF was determined by other factors not considered in the study.

Regression coefficients shows the magnitude and the direction in the dependent variable as a result of one unit change in the independent variable. The results were presented in Table 2.

Table 2: Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	8.311	2.243		1.236	1.215
Employee Empowerment	0.121	0.095	0.778	2.312	.000

Source: Research Data (2020)

The model used was; $Y = \beta_0 + \beta_1 X_1 + \epsilon$ therefore: $Y = 8.311 + 0.121 X_1 + \epsilon$

The regression coefficients present that holding factors considered in the model constant (employee empowerment) changes in the service delivery would be 8.311 units ($\beta_0 = 8.311$). The results on the relationship between employee empowerment and service delivery in NHIF was positive and significant ($\beta_3 = 0.121$, $P = .000$). The results also indicate that a unit change in the employee empowerment would result to 0.121 units changes in the service delivery in NHIF. The study is supported by Mohanty and Lakhe (2012) on the effect of employee empowerment and organisational performance among state agencies in Thailand. The study established that employee empowerment is significantly connected to organizational performance. The study supports Matisia (2010) study on the employee performance improvement and security in the Kenyan organisation. The study found that that employee empowerment positively affects organizational performance.

7. Conclusion and Recommendations

The study concluded that relationship between employee empowerment and the service delivery in NHIF was positive and significant. A unit changes in the employee empowerment would result to positive unit changes in the service delivery in NHIF. The results on the relationship between employee empowerment and service delivery in NHIF was positive and significant. Based on the objectives of the study, the following recommendations were made. The County Government of Wajir should consider improving on the communication and information related to the benefits of being a member of NHIF. The study recommends that NHIF members should be oriented by the employees of NHIF on usage and benefit of NHIF card. The study recommended that the national government should consider increasing the number and size of the facilities in Wajir county. The study also recommends that the national government should consider on sensitizing on the importance of being a member of NHIF to the residents in Wajir County. The County government should consider organizing seminars and help in the distribution of processed cards to the members in the remote areas within Wajir County.

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