EFFECT OF ORGANIZATIONAL STRATEGY-CULTURE CO-ALIGNMENT ON PERFORMANCE OF LARGE PRIVATE HEALTH FACILITIES IN KENYA

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ABSTRACT

Past studies have demonstrated strategy implementation as a key factor in the achievement of organizational objectives. However, strategy alone may not significantly influence performance. It may need to be complemented with culture even as a given organization pays attention to external environment. Unfortunately, the assessment of these complementary effects has received limited attention in the empirical literature. The objective of this study was to ascertain the influence of organizational strategy-culture co-alignment on performance. Through a cross-sectional descriptive survey, data from 58 large private health facilities were gathered using a structured questionnaire and analyzed using canonical correlation and sensitivity analyses. The study result indicates that strategy-culture co-alignment has not statistically significant effects on the performance of the facilities. Conclusively, the facilities do not align their strategies and cultures for the achievement of better performance. The findings contribute to the general body of knowledge and establish an appropriate base for further advancement of theory and research on certain strategic and cultural orientations. The findings also imply that organizational managers have to scan and monitor environmental developments in order to inform their decision-making appropriately. The policy makers are informed by the study, on the need to put in place structures that support strategy and culture fit. The limitations of the study included a wide geographical spread of the facilities and limited generalizability. Areas for further research have been suggested based on the limitations of the study, to address other contexts, besides using different methodologies and conceptualizations.

Keywords: Organizational Culture, Organization Strategy, Organizational Performance, Efficiency, Effectiveness, Relevance, Financial viability

INTRODUCTION

Organizational performance is recognized in the extant literature as a critical aspect of businesses due to the pertinent position it occupies in shaping the success and survival of an organization in a given market place (Aosa, 1992). Performance is a multifaceted concept; thus it is affected by a variety of variables. Generally, an organization is an institution that is deliberately designed to meet a certain goal and objectives (Odhiambo, 2014). To do that meaningfully, management develops a road map that guides not only the activities but also resource allocation. That which is perceived as the road map is what an organizational strategy is, according to Bourgeois (1980).

The processes of formulating and executing a strategy are done according to the values and performance objectives of an organization. Although it is an important aspect in performance enhancement, strategy is not the only factor as performance is shaped by a multiplicity of other factors, for instance, organizational culture (Ping et al., 2011). Organizational culture is an internal factor that influences how an organization interacts with employees and external stakeholders. Beliefs and attitudes are some of the strongest components of organizational culture. The core element of culture is the people, their interactions and how these factors translate into a unique behaviour. Abu-Jarad et al., (2010) underscore that culture represents a potential source of competitive vantage point, which facilitates securing of enhanced performance. A match between strategy and culture creates interactive synergy that may improve performance. This type of interaction is referred to as co-alignment in well strategized managerial practices (Venkatraman & Prescott, 1990).

Large private health facilities which form the unit of this study occupy a prime part in propelling the realization of Universal Health Care (UHC) across Kenya. As far as Kenya is concerned, UHC has always been of utmost priority and it is not a wonder, that it tops the current government regime's newfound development initiative of the Big Four Agenda (Ministry of Health, 2017). The bigger part of the health workforce in Kenya operates in the non-government health sector. This implies that the medical doctors who form 75% and clinical officers and nurses who form 66% render their services in private health facilities (Kenya Healthcare Federation- KHF) (2016).

Unlike in public health sector, private health facilities face fewer matters that lead to overworking by staff, a factor that may lead to stress, strikes by workers and other consequences. Besides, the private facilities in most of the times offer more attractive salaries as well as general motivation to the employees. Notwithstanding these factors, medical specialists in the country are so few that they do not match the so needed services. Therefore, the few medical specialists that there are in Kenya are left with a high bargaining capacity. Therefore, the doctors practicing in private health facilities enjoy higher salaries and other morale-boosting incentives out of the fear of expertise loss (KHF, 2016) than their counter parts operating in public sector.

As a result of this distinct style of operation or culture, the costs of healthcare in private health facilities are usually higher compared to those in public health facilities. This implies that to maintain effective performance, the private health facilities must adopt strategies that match their unique organizational cultures. Further, the strategies must align to the changing times currently being experienced in the Kenyan healthcare sector, such as the aspect of Kenya growing into a middle class economy, stiff competition as well as increasing demand for quality accessible health services (KHF, 2016). Large private health facilities are operational in every part of the country, that is, in rural and urban areas alike; and they serve all categories of people. Their upward trend in performance would enable them open new centers and satellites even in the

poorest zones of the country, hence make services available at the grassroots to the poor people. This would go a long way into even creating jobs for so many young people that are jobless today.

Given the current trend in global competition arising from business globalization and technological advancements, large private health facilities are compelled not only to build on available resources, but also focus on long-term customer relationships. They often find themselves in competitive situations where the external environment on which they depend and to which their services are rendered is ever changing. Therefore, shedding light on how strategy-culture co-alignment is moderated by external environment in its relationship with performance of the health facilities in private sector, could serve as a basis for which these organizations can institute appropriate strategic actions and policies that suit their internal and external circumstances.

In the previous studies undertaken in the Kenyan health sector, the researcher had not come across one that had tested this relationship. The past studies evidence that they had addressed either different units of study, industries or diverse other contextualization. This research was thus inspired by a strong desire to fill this gap.

Research Problem

The concepts of organizational strategy, culture and performance have been found to interact in a manner that reflects the performance of structure-conduct framework of industrial organization economics. The underlying principle of this interaction is that the organization operates in an environment (market structure) that shapes its strategic behaviour (conduct), which in turn determines its performance. Empirical studies of this linkage have adduced evidence to support the view that organizations which are able to appropriately and adequately react to turbulence in the environment by way of instituting appropriate strategies report positive performance (Venkatraman and Prescott, 1990). Additionally, as organizations purpose to keep pace with the demands of the external environment, they must consider how their strategic focus align with organizational cultures because such strategic fit has a great bearing on their effort to be successful (Moore, Kizer & Jeon, 2011; Armarjeev, 2018; and Kaul, 2019). The environment in which large private health facilities in Kenya operate is characterized by complexity and turbulence. Complexity arises even from the high level of regulations by the Ministry of health. Further, there are various stakeholders that the private hospitals must deal with, such as the potential patients, medical suppliers and insurance companies.

On the other hand, turbulence results from the ever-evolving medical technologies and growing number of demands from the customers (World Bank, 2010). The continued existence of these factors in the external environment makes it imperative for the health facilities to implement

appropriate strategic behaviour. How fitting the strategic behaviour is to their unique culture is expected to have implications in their performance.

While there exists evidence in the past literature pertaining studies done on the predictor variables in relation to performance, in most cases, the variables have been studied in isolation or in some combinations. For instance, Zhao, Teng and Wu (2018) found a negative link between organizational culture and the performance of Chinese companies. Kwon, Yoon and Hwang (2011) observed a positive impact of external environmental factors on the performance of Korean nursing home facilities. Khan and Huda (2016) established a positive impact of strategy execution and performance outcomes of tertiary hospitals in Pakistan.

A study in a Kenyan context conducted by Omari et al., (2016) found that adoption of competitive strategies was positively associated with performance of private hospitals in Kisii County. Exploration of the extant literature revealed some gaps in knowledge whose address is the task of the current study. First, despite the fact that there is evidence supporting the performance implications of strategy and culture, the degree of co-alignment of the two variables, which results into optimal performance, is still unresolved. Second, while it is apparent that environmental changes influence organizational performance, it is not clear how external environment affects the impacts of strategy-culture co-alignment given that it is of pertinent concern to any organization.

Literature demonstrates that studies pertaining to performance and what may buffer or impinge its outcomes have been studied in different contexts. For instance, Khoshtaria (2018) focused on US-based manufacturing companies; Zhao et al. (2018) on Chinese companies; Noh et al. (2011) on Korean nursing facilities; Khan and Huda (2016) on Pakistani tertiary hospitals and Omari et al. (2016) on private hospitals in Kisii County. While a substantial amount of studies have been carried out in organizations operating in diverse geographical contexts such as USA, China, Korea and Pakistan, the findings and conclusions may not be extended to large private health facilities operating in the Kenyan context because of its unique manifestations in terms of literacy and poverty levels, economic, demography and even political aspects among others. Further, the scholar did not identify a similar work in the literature, focusing on the unit and variables that are addressed in the current study.

Following the evidence presented by literature reviewed, there are still matters that need some resolution along the conceptual and contextual realms in the interactive relationship among the variables in this work. The study advanced a conceptualization that focused on organizational strategy-culture co-alignment as a predictor variable. The organizational criterion performance variable served as the dependent variable. While advancing co-alignment conceptualization, previous scholars had treated external environment as an independent variable (Machuki, 2011).

Studying supply chain strategies and knowledge outcome co-alignment and performance, Aitken and Todeva (2011) established that there is impact springing from the synergistic effect of co-aligned variables on performance. However, the scholar did not specify the causal modality of interaction. In the current study, external environment was viewed as providing the moderation factor between the predictor and the criterion variables. The researcher hardly came across a similar or even near similar scholarly work that had considered the co-aligned variables in the extant literature, particularly in the unit of the current study. Consequently, the task of the study is to provide answers to the gaps established by answering to one main question: What is the effect of strategy-culture co-alignment on organizational performance?

Research Objectives

The objective of the study is to examine the effect of organizational strategy-culture co-alignment on performance.

LITERATURE REVIEW

Theoretical Foundations of the Study

The study was majorly anchored on Configuration theory supported by Contingency theory. The establishment of contingency theoretical stance as a distinct body of thought is attributed to Lawrence and Lorsch (1967). Contingency theorists propose that the success or failure of a given organizational characteristics depends on the contingencies that reflect the situation of the organization (Donaldson, 2001). Thus, contingency theory argues for a tri-variate relationship between contingency, organizational characteristic and performance. At an abstract level, the theory considers that the effect of one variable (organizational characteristic) on another variable (organizational performance) is contingent on a third variable (contingency) (Mile & Snow, 2003).

Therefore, there is no single best way to manage organizations as far as contingency theory postulations are concerned. The best approach depends on the contingency factors. According to this view, therefore, a perfect way to develop organizational structures is non-existent and that the ideal mode of operation is hinged on the environmental factors of a given business scenario (Carpenter & Golden, 1997).

Just like other strategic management theories, Contingency theory assumes some characteristics. In the first instance, it firmly holds reductionism as its dominant method of inquiry where the scholar gets into the understanding of the behaviour of an entity by analyzing its constituent parts separately (Meyer et al., 1993). Thus, contingency proponents champion for linear relationships involving isolated univariate causation (Guttler, 2009). The focus of contingency propositions is

on how individual contextual factors affect organizational performance independently (Venkatraman & Prescott, 1985).

Further, according to contingency theory, co-alignment of two or more variables is interpreted as a deterministic relationship between or among them; that is, the surrounding circumstances are thought to largely determine the organizational modalities needed to ensure performance realization (Vliyath & Srinivasan, 1995). For instance, contingency theory postulates that strategy determines organizational structures (Donaldson, 1996). Thus, organizations are said to be incrementally adapting to their environmental turbulrnce (Donaldson, 2006).

There are criticisms in connection to the contingency theory. The first criticism pertains to reductionism aspect. Even among proponents of the contingency theory, discussions and debates emerged on whether only independent relationships between single contextual factors and structural dimensions exist or multiple factors interdependently influence the fit between environments and organizations (Guttler, 2009). The second stream of criticism points out that there are fundamental shortcomings associated with the assumptions of the theory.

Notwithstanding the limitations inherent in the contingency theory, its postulations are very key as they shed light on the understanding of the relationships that there are, among variables of interest and performance of organizations in the face of extreme dynamism coupled with complexity. In the current study, relationships among the three study variables were explained by Contingency theory, which supported the tenets of the key study anchorage theory, explained as Configuration theory.

Organizational Strategy and Culture Co-alignment and Performance

Both strategy and culture are dynamic phenomena. This dynamism is necessitated by environmental realities (Dave & Gabriella, 2015). As changes occur, managers may seek to align various variables to enhance performance. Consequently, strategy-culture co-alignment would be expected to have positive performance implications. However, only few studies have been carried out to test this hypothesis. Previous studies on co-alignment have further indicated a positive relationship between strategy and other variables (Macharia, 2014). Organizational strategy is the overall roadmap that provides direction towards achievement of the overall organizational goals and objectives (Kiliko, 2015). Configuration theory explains the interactional relationships between variables, the result of which is possible increased performance. Culture, being a critical variable that influences performance of employees and organizational effectiveness (Thokozani, 2017), is interacted with strategy and the results in performance levels observed. Buku et al., (2015) argue that culture determines the overall strength of an organization, its productivity and competitiveness. Organizational culture therefore is a valuable aspect in this study.

In the study, co-aligned variables are organizational strategy and culture. The holistic interaction of these two variables might positively influence a third variable, which is performance. Both strategy and culture are dynamic phenomena. This dynamism is necessitated by environmental realities (Dave & Gabriella, 2015). As changes occur, managers may seek to re-align various variables to enhance performance. Contingency theory enables managers fit various constructs within organizations and align them with external environment to enhance the overall performance.

Existing literature has failed to show the effects of a possible synergy between organizational strategy and culture, yet that synergy might cause enhancement of organizational performance. Due to the limited empirical studies exploring the link between strategy-culture fit, it remains unclear whether or aligning organizational strategy and culture produces better performance outcomes or not. Therefore, it is imperative to fill this knowledge gap.

Conceptual Framework

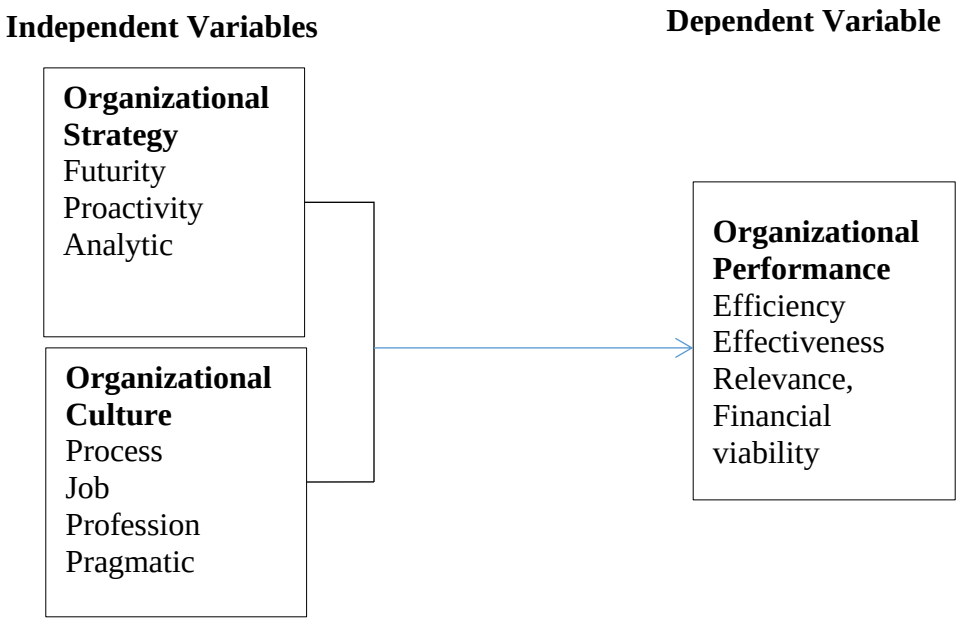

Figure 1: Conceptual Framework

MATERIALS AND METHODS

Research Philosophy

This study was guided by positivistic philosophy. To the positivism philosophy was added the notion of pragmatism. This emphasizes on what is functional as pertains to research questions under investigation (Tashakkori & Teddlie, 2003). Pragmatism allowed for collection of verbatim responses springing from respondents' experiences. The objective of the current study

was to establish correlations among the variables of interest. Therefore, scientific principles reflected through the use of statistical techniques such as regression and canonical correlation analyses had to be invoked. These scientific principles underpin the positivistic philosophical view utilizes in this work.

Research Design

In this study, descriptive cross-sectional survey design was employed. This design allowed for the utilization of a mixed-method, where the findings were based upon two separate forms of information: quantitative and qualitative. Further, the mixed methods design allowed for the seamless integration of statistical and thematic data analytical techniques of the overall data collected.

Population of the Study

A study population is the total collection of elements involved (Nachmias & Nachmias, 1996). The sum-total of all private health facilities registered at the time of study (2018) was Three thousand and Ninety-Five (3095), as indicated and evidenced by MPDBK (2018). Categorization of the size of the facilities as large is based on One hundred (100) and above bed capacity (MOH, 2017). As of September 2018, when the study was undertaken, the sum-total of all operational Large Private Health Facilities in Kenya stood at Sixty One (61) and this formed the study population. Therefore, a census survey was employed as there was no need for sampling.

Data Collection

A questionnaire was employed to collect primary data that was used in this study. A total of Sixty-One (61) survey questionnaire tools were administered to the research respondents, either in form of a mail or by means of persons well-trained for the job.

Reliability and Validity Tests

Reliability and Validity represent two of the fundamental elements in the evaluation of accuracy of a measurement instrument. Before reliability aspect can be considered meaningfully, test Validity is required (Saunders et al., 2007). This section describes ways through which reliability and validity of the questionnaire were evaluated.

Reliability and Validity Tests

The Cronbach's alpha statistic is used for evaluating the reliability of such instruments. This study employed the cut-off coefficient point of 0.7 as recommend by (Alexandridis, 2018). A

pilot test of the questionnaire was administered in 10 large private health facilities before the actual study commenced. Below is portrayed the results of the reliability assessment.

Table 1: Reliability Test Result

Scale	Number of Items	Cronbach's Alpha	Interpretation
Organizational strategy	9	0.83	Reliable
Organizational culture	21	0.89	Reliable
Organizational Performance	31	0.91	Reliable

The reliability of the 9-question "Organizational strategy" measure was high, as determined by a coefficient value of 0.83. The results also indicate that the reliability of the 21-question "Organizational culture" measure was adequate, as indicated by a coefficient value of 0.89. The 31-question "Organizational performance" measure also demonstrates sound internal consistency as the two produced coefficient values of 0.91. The values for all the items stood greater than 0.8, hence fell within the acceptable range of values between 0.7 and 0.95 recommended by Alexandridis (2018).

In this study, validity types scrutinized are of three modes. The first one is content or logical validity, which ensured adequate coverage of all-important aspects. The second one is face validity, which ascertained that the questionnaire appeared to be measuring the constructs involved. The third one is predictive, also known as criterion validity. The scholar sought for opinions of experts in the relevant field of study, particularly the faculty members in university. This was in a bid to determine whether the questionnaire was valid or not. The expert opinion was incorporated in the research instrument design process, resulting in a valid questionnaire.

Data Analysis

The first step in the process of analyzing collected data involved editing of the same. At this stage, the returned questionnaire items were carefully scrutinized to identify incompleteness and information gaps and effort was made to minimize errors as much as possible. This ensured that collected data were of good quality, that is, free from inconsistencies and incompleteness. The hypothesis of the study postulated that organizational strategy-culture congruency did not exhibit significant influence on performance. This hypothesis was evaluated using canonical correlation analysis. A canonical correlation analytical methodology is utilized in testing the linkage between a predictor variable set and criterion variable set. Strategy-culture co-alignment was the analytically determined predictor variable set. On the other hand, criterion variable set comprised of performance sub-variables. Strategy-culture co-alignment variable set comprised of seven measures, namely: futurity, proactivity, analytic, process, job, profession and pragmatic orientations. The criterion variable set comprised of performance measures. The resolution to

reject the set hypothesis that was null in nature, was based on the Wilk's lambda (λ) statistic. The Wilk's λ statistic is normally used to assess the overall statistical significance of a canonical correlation model. In this study, the level of confidence assumed in the model was hinged at 95% *(p=0.05)*. If the *p*-value associated with the Wilk's λ statistic turned out to be less than 0.05, the decision was to reject the null hypothesis.

In the event that the null hypothesis got rejected, a sensitivity analysis would be conducted (Ho, 2013). This is in a bid to identify the best organizational strategy-culture fit. The sensitivity analysis would entail deleting measures in each variable set until the Wilk's λ statistic indicates a statistically significant model.

PRELIMINARY FINDINGS

Response Rate

The interplay between the variables of interest was explored by drawing on data from large private health facilities in Kenya. It was thus necessary to establish the response rate in the survey so as to determine whether or not data collected met the minimum threshold of linear regressions, in order to proceed with statistical analyses. A response rate stands for the ratio of respondents who actually respond to a research tool and questions to eligible respondents in a survey expressed as a percentage (Vannette & Krosnick, 2013). Below is an exposition of the rate response.

Table 2: Response Rate

	Frequency	**Percentage**
Filled and Returned questionnaire items	58	95.00
Unreturned questionnaire items	3	5.00
Total Questionnaire pieces distributed	**61**	**100**

Organizational Performance

Organizational performance featured as the study outcome variable. Performance of the health facilities was operationalized into four constructs. This section exposes results as generated from the analysis of the responses from respondents pertaining to the four constructs. Table 3 depicts the results.

Table 3: Aligning Strategic Behaviour with Cultural Development on Facility Performance

	Frequency	**Percentage**
Yes	53	91.3
No	5	8.7
Total	**58**	**100**

Table 3 depicts that majority of respondents (91.3%) perceived aligning strategic behaviour and cultural developments as crucial to performance of their health facilities. About 8.7% of the respondents indicated that interacted with cultural developments, strategic behaviour did not necessarily influence organizational performance. These results reveled that for most large private health facilities, it was perceived that aligning strategic behaviour with organizational culture led to better firm performance.

Operational Efficiency

Further insight was sought on various organizational performance dimensions. This section focuses on operational efficiency, one of the performance dimensions. It was assessed by the extent to which various operations and systems in place at the private health facilities ensured that there was consistent provision of high-quality services. The respondents were provided with a set of statements descriptive of operational efficiency. They were asked to pinpoint the range at which the issue was relevant to their health facilities. Below is displayed the analytical results obtained.

Table 4: Operational Efficiency

Statement	**N**	**Mean Score**	**CV %**	***t*-value**	**Sig. (2-tailed)**
High-quality administrative systems are in place (financial, human resources, program, strategy, etc) to support the efficiency of the organization"	53	4.21	0.24	8.57	0.000
Optimal use of financial resources in the facility is made"	55	3.93	0.27	6.43	0.000
Frequency of system breakdown is very high	57	2.7	0.48	-1.72	0.090
Optimal use of physical facilities (buildings, equipment) is made	57	4.28	0.18	12.89	0.000
Timeliness of service delivery is ensured	58	4.26	0.16	13.89	0.000

There is high client inflow as depicted by registration files	58	4.31	0.15	15.25	0.000
Costs per client served is established to ensure efficiency	55	4.29	0.14	15.995	0.000
Our service quality has improved in the last five years	58	4.52	0.13	19.28	0.000
"Our market share has been improving in the last five years as evidenced by registration files"	58	4.36	0.15	16.19	0.000
We are keen on operations and processes that can reduce costs	56	4.48	0.14	27.54	0.000
Clients' complaints are responded to within 24 hours	56	4.14	0.19	10.74	0.000
Overall Mean Score		**4.13**			

As depicted above, the overall mean score for the items assessing operational efficiency in large private health facilities was 4.13. This average score falls slightly above the "large extent" rating scale. This mean score was an indication that operations and systems in the unit of study are efficient to a large extent. These results imply that the differences between the respondents who agreed and those who disagreed with the statement were not statistically significant. In other words, the differences occurred by chance. For the rest of the items that recorded significant results, the implication was that the differences between the respondents who agreed and those who disagreed with the statements were statistically significant, hence did not happen by chance.

Operational Effectiveness

Organizational performance was also assessed through operational effectiveness. Effectiveness was explained in view of 6 items. Accordingly, the necessary participants were requested to report the range by which these items applied to their facilities on a 5-point Likert scale. Below is displayed results produced from the analysis of the responses.

Table 5: Operational Effectiveness

Statement	N	Mean Score	CV %	*t*-value	Sig. (2-tailed)
"The mission statement and other documents provide the reason for the existence of the organization"	57	4.58	0.14	18.25	0.000
"The mission is operationalized through our c current training program goals, objectives, and activities"	58	4.43	0.13	18.30	0.000
"Quantitative and qualitative indicators are used to capture the essence of the mission"	58	4.24	0.18	12.50	0.000
"A system is in place to assess effectiveness of the organization"	55	4.29	0.21	10.45	0.000
"The organization monitors effectiveness"	58	4.50	0.16	15.62	0.000
"The organization uses feedback from stakeholders and clients to improve itself"	58	4.59	0.14	29.41	0.000
Overall Mean Score		**4.44**			

As is evidently shown above, the overall mean score for the items was 4.44. Based on the scale, this score was fairly above the "large extent" range. This signified that operations, processes and systems in large private health facilities in Kenya were effective to a large extent. A *t*-test was performed and statistically significant differences were observed for all the items assessing effectiveness in operations. This brought out the fact that there were considerable differences among the private health facilities regarding the extent to which they ensured that operational effectiveness was achieved. This was an indication that the differences did not happen by chance. These variations were caused by factors that could be accounted for.

Organizational Relevance

The study also considered organizational relevance as a key performance indicator. Organizational relevance denotes the link between the business value of a firm and its strategic goal. In this study, organizational relevance was defined into 6 items. The concerned respondents were requested to report on the level at which each of the six organizational relevance aspects

was applicable to their health facilities. The responses were then analyzed and the results are as illustrated here under.

Table 6: Organizational Relevance

Statement	**N**	**Mean Score**	**CV %**	***t*-value**	**Sig. (2-tailed)**
The strategy is undergoing review now and then"	58	4.16	0.20	10.83	0.000
Regular program revisions reflect changing environment and capacities of the facility"	58	4.16	0.17	12.21	0.000
Our facility regularly reviews the environment to adapt its strategy accordingly"	58	4.19	0.16	13.70	0.000
The organization regularly reviews the environment to adapt its strategy accordingly"	56	4.29	0.20	11.09	0.000
Innovation is encouraged all the time"	57	4.4	0.18	13.66	0.000
The organization monitors its reputation frequently"	58	4.4	0.15	15.79	0.000
Overall Mean Score		**4.27**			

It is indicating above, that the mean score for all the organizational relevance aspects was 4.27. The score suggests that large private health facilities in Kenya focus on organizational relevance elements as a key indicator of performance to a large degree. The *t*-test results revealed significant differences that were statistically sound for all the items used to evaluate organizational relevance. As seen in Table 7, the *p*-values for all the statements fell below the alpha value of 0.05. This provided evidence that despite the considerable differences among the private health facilities regarding the extent to which they ensured that operational relevance was met, the differences were caused by explainable factors rather than chance.

Financial Viability

In this study, financial viability was used as one of the measures for assessing organizational performance. Financial performance was considered because despite the fact that some large private health facilities are charity-oriented, they still need and use money in operations and processes. The concept of financial viability revolves around the notion that financial inflows of an organization should be greater than the outflows. Financial viability was operationalized into Seven (7) items. The necessary participants were directed to mark the range at which they perceived their facilities as having been financially viable or sustainable based on the items. The responses were well captured. The summarized results of the responses from the respondents are shown below.

Table 7: Financial Viability

Statement	**N**	**Mean Score**	**CV %**	***t*-value**	**Sig. (2-tailed)**
Existing funding sources offer sustained support to the facility"	55	4.24	0.18	12.32	0.000
Our facility monitors finances on a regular basis to enable decision- making"	58	4.36	0.19	12.81	0.000
The facility consistently has more revenue than expenses"	58	3.74	0.30	5.06	0.000
Our financial performance has made assets to be greater than liabilities in the last few years"	58	4.05	0.22	8.84	0.000
To what extent is positive financial index realized as shown by the ratio of total assets to total liabilities?"	58	3.98	0.20	9.29	0.000
Our facility uses the ratio of current assets to current liabilities to gauge its performance and enable decision-making"	58	3.97	0.20	9.26	0.000
In our facility, there is growth in terms of amount of resources mobilized, assets, capital and revenues within the last 5 years"	58	4.34	0.16	14.33	0.000
Overall Mean Score		**4.27**			

As demonstrated above, results portray mean score for all the elements linked to financial viability of the health units as 4.27. As pertains the scale range, the overall mean score fell above the "Large extent" rating. A look at the p-value column above shows that the p-value for each entity was less than the alpha value of 0.05. This was an indication that although there were noteworthy differences among the private health facilities regarding the metrics used for evaluating financial viability, the variations did not happen by chance. Rather, it was due to explicable factors.

TEST OF HYPOTHESIS

The objective of the study sought to investigate the influence of organizational strategy-culture co-alignment on performance. The corresponding hypothesis to this objective was crafted as follows:

H: Organizational strategy-culture co-alignment has no significant influence on performance

The analytically determined latent predictor variable set had seven sub-variables: futurity, proactivity, analytic, process, job, profession and pragmatic orientations. The organizational performance, the criterion variable set had four sub-variables: efficiency, effectiveness, relevance and financial viability. Canonical correlation, a technique developed by Hotellings (1935) was used to analyze Hypothesis, not only because of its comprehensiveness but also, being a multivariate technique, it would limit the risk of type 1 error (Alissa & Robin, 2010).
This technique finds the weighted average of the predictor variable set and correlates it with that of criterion variable set. The motive of constructing weights is to augment the correlation between the two variables sets (Tabachnick & Fidell, 2007). The four performance constructs and the seven dimensions of strategy-culture co-alignment in this case were treated as sub-variables, hence justifying the application of the canonical correlation analysis (Alissa & Robin, 2010). Using the seven sub-variables within the predictor analytically determined variable set and the four sub-variables of the criterion organizational performance variable set, the canonical correlation analytical methodology was invoked to probe the multivariate shared link between the two sets and across all of the canonical functions.

This constituted the first round of the analysis using the four multivariate tests (Pillais, Hotellings, Wilk's and Roys) to evaluate for statistical significance. The results obtained were not statistically significant. Hence, did not yield an optimal model for interpretation as seen below.

Table 8: Multivariate Tests of Significance (Full Model)

Test Name	**Value**	**Approximate F**	**Hypothesis DF**	**Error DF**	**Significance of F**
Pillais	0.64	1.35	28.00	200.00	0.123
Hotellings	0.89	1.45	28.00	182.00	0.079
Wilk's	0.47	1.40	28.00	170.88	0.099
Roys	0.36				

Results of the four tests were slightly different owing to disparities in the theoretical micro-foundations of the four methods. The Roy's method did not generate results due to the inherent limits of the approach. The Wilk's lambda (λ) was applied instead, due to its popular usage and convenience (Alissa & Robin, 2010). According to Hair, Sarstedt, Ringle and Mena, (2010), a sensitivity analysis is important in canonical correlation exercise as it ensures that the final model for interpretation is stable. Therefore, the "financial viability" was removed from the analysis first, as it had the lowest structure coefficient. Despite this removal, the analysis did not result to an interpretable model.

Additionally, job orientation sub-variable was removed after recording the least structure coefficient. The results of the final canonical correlation model after removal of financial viability (criterion sub-variable) and job orientation (predictor sub-variable) are presented below (also See Appendix VII). The sub-variables removed did not affect the theoretical content of the model.

Table 9: Multivariate Tests of Significance

Test Name	Value	Approximate F	Hypothesis DF	Error DF	Significance of F
Pillais	0.532	1.832	18.00	153.00	0.026
Hotellings	0.754	1.997	18.00	143.00	0.013
Wilk's	0.534	1.921	18.00	139.00	0.019
Roys	0.356				

As seen in Table 9 above, for the full model, Wilk's λ was 0.534, F (18, 139)=1.921, $p < 0.05$. Since the Wilk's λ denotes the proportion of variance not accounted for by the model, 1-λ indicates the overall effect size, that is, the amount of variation explained by the two variable sets. Given that Wilk's λ was 0.534, the overall effect size was 1 - 0.534 =0.466. This implies that the canonical model accounted for a substantial proportion, that is, about 46.6% of variation could be substantiated by the two variable sets. This meant that the model portrayed significant influence on performance at this point.

The next set of statistics included Eigen values and Canonical correlations. These were used to identify functions that explained satisfactory amount of variation between the two variable sets. The results are displayed here below.

Table 10: Eigen Values and Canonical Correlations

Root No	Eigen Value	%	Cumulative %	Canonical Correlation	Squared Canonical Correlation
1	0.554	73.507	73.507	0.597	0.357
2	0.165	21.859	95.366	0.376	0.141
3	0.035	4.633	100.00	0.184	0.034

The squared canonical correlation column represents the proportion of variance shared by the two synthetic or latent variables. It shows that Functions 1 and 2 explained substantial amount of variation between the two latent variable sets. Function 1 explained 35.7% of the variation while Function 2 accounted for 14.1%. Therefore, the sum-total variance substantiated by the first two Functions was 0.357+0.141= 0.498 = 49.8%. This sum-total is relatively higher than the previously established effect size of 46.6%.

The two Functions (I and 2) were thus retained for interpretation, while Function 3 was dropped because it was sufficiently weak and could not explain a considerable amount of variation between the two sets of variables, as it only explained 0.034 (3.4%) of the same. The significance for each function was further tested in a hierarchical manner. The results are as shown in Table 11.

Table 11: Dimension Reduction Analysis

Roots	Wilk's λ	**F**	**Hypothesis DF**	**Error DF**	**Significance of F**
1 to 3	0.53	1.92	18.00	139.08	0.02
2 to 3	0.83	0.98	10.00	100.25	0.47
3 to 3	0.96	0.45	4.00	51.00	0.78

In Dimension Reduction Analysis, each function is assessed hierarchically, starting with Functions 1-3; Functions 2-3; and lastly, Function 3-3. The results from this analysis showed that the cumulative effects of Functions 1-3 were significant (Wilk's λ was 0.53, F(18, 139.08)=1.92, $p < 0.05$). The cumulative effects of Functions 2-3 were not statistically significant, (Wilk's λ was 0.83, F(10, 100.25)=0.98, $p > 0.05$). Since the full model (1-3) and Functions 2 to 3 accounted for a substantial amount of variation in the canonical association between the two variable sets, they were extracted. The final Function (3-3) was rather weak and thus not worth interpretation.

The next step of canonical correlation analysis entailed carrying out an investigation of how each sub-variable in the predictor and in the criterion variable sets contributed to the derived canonical relationships. This part of the investigation was premised on the interpretation of the output related to Standardized weights and Structure coefficients. The results of these weights and coefficients are displayed bellow.

Table 12: Standardized Weights and Structure Coefficients

	Function 1			**Function 2**			
Sub-Variables (Measures)	**Coefficient**	**r (s cf)**	**r^2**	**Coefficient**	**r (s cf**	**r^2**	**h^2 (%) comm cf sum of r^2**
Futurity	0.45	0.81	65.61	0.24	-0.03	0.09	65.70
Proactivity	-0.11	0.53	28.09	0.72	-0.02	0.04	28.13
Analytic	0.02	0.39	15.21	-1.05	-0.72	51.84	67.05
Process Orientation	0.80	0.92	84.64	0.11	-0.09	0.81	85.45

Profession Orientation	-.25	0.57	32.49	-.59	-0.49	24.01	56.50
Pragmatic Orientation	-16	0.56	31.36	0.13	-0.16	2.56	33.92
Efficiency	0.31	0.91	82.81	-1.64	-0.40	16.00	98.81
Effectiveness	0.46	0.73	53.29	-0.12	-0.20	4.00	57.29
Relevance	0.69	0.98	96.04	1.62	-0.19	3.61	99.65

The squared structure coefficients ($\mathbf{r^2}$) denote the proportion of shared variation between the observed-sub-variable and synthetic predictor variable. The communality (h^2) represents the proportion of variation in the observed sub-variable that was replicated across all the functions. Structured coefficients with values above 0.45 and communality values above 45% are marked (underlined).

The underlined structure coefficients highlight the variables that were the most meaningful in the model as per the recommendation by Ho (2013). Table 12 shows that process orientation had the highest contribution (0.80) to Function 1. In the set of criterion sub-variables, organizational relevance variable (0.69) made the highest contribution to Function 1. The results also show that the independent sub-variable measure named analytic orientation (-1.05) made the highest contribution to Function 2. Facility operational efficiency (-1.64) had the largest contribution to Function 2.

The results further reveal that the independent sub-variables with the highest structure loadings were process orientation (0.92), futurity (0.81), profession orientation (0.57), pragmatic orientation (0.56) and proactivity (0.53). These structure coefficients had a positive sign, signifying the presence of a positive linkage with the performance sub-variables. Pertaining the latent criterion variable, all the three observable sub-variables returned relatively high structure loading on operational relevance (0.98), efficiency (0.91) and effectiveness (0.73), indicating that they were the most instrumental in the dependent variable set. The structure coefficients for these variables were positive, implying that they were positively related to the other entire organizational strategy-culture co-alignment variable. These relationships can be interpreted as follows: Following strategy-culture co-alignment, the higher the process orientation, futurity orientation, profession orientation, pragmatic orientation and proactivity, the higher the performance of the health facilities. As pertains Function 2, the only variables of relevance in contributing to the latent independent strategy-culture co-alignment variable were analytic orientation (-0.72) and profession orientation (-0.49).

The results also reveal that there was not a single noteworthy contributor to the latent criterion variable of performance because all the structure coefficients for the dependent variables fell

below the cut-off of 0.45 recommended by Ho (2013). Consequently, only the results for Function 1 were used. The first round of analysis with all sub-variables of predictor and criterion variable sets revealed that organizational strategy-culture co-alignment had not significant influence on the outcomes of the facilities. The results confirmed the null H3.
Further, a sensitivity analysis was conducted to test whether exclusion of some variable measures from the strategy-culture co-alignment and performance sets would result in any significant change. The results revealed that a strategy-culture fit by all sub-variables but job orientation had a significant influence on the organizational outcomes. This implies that future studies should consider using these variables in assessing strategy-culture co-alignment for organizational performance.

DISCUSSION OF FINDINGS

In an effort to address the study objective, a hypothesis stating that organizational strategy-culture co-alignment had no positive outcomes on the unit study was formulated. In essence, the underlying task was to investigate whether or not combination of strategy and culture dimensions imposed significant effects on performance outcomes. Canonical correlation methodology and sensitivity analysis were used to test this hypothesis.

The results demonstrated that strategy-culture co-alignment had not statistically significant relationship with the outcome variable, with every construct involved as predicted. The constructs within the strategy-culture fit that exerted significant influence on performance were: futurity, proactivity, analytics, process, profession and pragmatic, leaving out job orientation. On this basis, it was inferred that there lacked sufficient evidence to enable rejection of the proposed null hypothesis.

The finding is inconsistent with Ping et al., (2011), who contended that no stand-alone construct impacts on performance. The scholars noted that culture alone may not have serious ramifications on organizational performance and that other variables are needed to strengthen the cultural effect. Additionally, this finding did not align with the study by Yarbrough et al. (2011), who established a negative but statistically significant link between strategy-culture fit and performance. This finding is inconsistent with the Configuration theory, which predicts that organizations with an effective internal fit of its attributes are able to acquire a competitive advantage that leads to superior performance. Therefore, on the premise of the Configuration theory, it would be expected that the strategy-culture fit would have an influence that is significant on outcomes of the health facilities. However, this study did not affirm that expectation.

Moreover, the findings on this research objective contradicted the propositions of the Contingency theory used in this study as one of the supportive theoretical anchorage.

Fundamentally, the Contingency theory posits that the optimal course of action is subject to environmental conditions and association among various variables. Based on the assertion of the theory, optimal performance of the health facilities would be contingent upon environmental aspects, as well as co-alignment of two or more performance predictor variables. In this context, those predictor variables would be strategy and culture. However, this was not the case because the findings revealed that co-aligning the two variables did not yield any meaningful impact on performance outcomes. This discrepancy could be attributed to the uniqueness of the study context and operationalization of its variables.

CONCLUSION AND RECOMMENDATIONS

Conclusion

From the inquiry, it was revealed that no linkage that was statistically significant, between organizational strategy-culture fit and facility outputs. This implied that the units of study do not align their strategies and cultures for the achievement of better performance.

Limitations of the Study

In terms of the study context, the outcomes are unique to their own Kenyan reality and involve a particular unit, that is, large private health facilities. The findings may not fit the context of the public health sector neither small and medium private health facilities. The study is therefore limited in terms of generalizability of the findings.

From a methodological perspective, the study adopted a descriptive cross-sectional survey design. The design was the most appropriate method available in matching the issues at hand, which included time and financial constraints. Despite its convenience, the design does not portray causal effects on the observed relationships over time. The causal nature of the effects of the co-aligned variables could not be identified. However, the limitations of this study did not compromise the spirit and quality of the results. Rather they paved the way for future studies.
This study was cross-sectional in nature and inherent limitations have been highlighted. Therefore, it would be useful to replicate the study using a longitudinal research design. Such studies would help to provide in-depth evidence on the relationship between the organizational strategy-culture co-alignment and performance over time.

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