

**CONTRACT MANAGEMENT AND HEALTH SERVICE DELIVERY IN  
UGANDA: A CASE STUDY OF KABALE REGIONAL REFERRAL  
HOSPITAL, KABALE MUNICIPALITY**

**BY**

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## **DECLARATION**

I, ATWESIGIRE BANARD declare that this research dissertation titled “Contract Management and Health Service Delivery in Uganda: a case study of Kabale Regional Referral Hospital, Kabale Municipality” is an original work and has not been submitted for the award of a degree in any university or institution of higher learning for academic purposes.

Signature .....

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## **APPROVAL**

This dissertation entitled “Contract Management and health service delivery in Uganda: A case of Kabale Regional Referral Hospital” has been conducted under my supervision.

Signed ..... Date.....

Ass.Prof. Caleb Tamwesigire

(Research Supervisor)

## **DEDICATION**

This dissertation is dedicated to my family members.

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## **ABBREVIATIONS**

AMS	Advanced Contract Management Solutions
IDEA	International Development Enhancement Agency
CLM	Contract Life Cycle Management
PDU	Procurement and Disposal Unit
EDI	Electronic Data Interchange
SOGA	Sale of Goods Act
UK	United Kingdom

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## ABSTRACT

In the study, the Kabale Regional Referral Hospital was used to demonstrate how contracts were managed and health services were delivered in Uganda. Contract administration, relationship management, and contract closing do in fact have a connection to service delivery (Alinaitwe, 2007; Soliman, 2011; and Young, 2008). The extents of these associations, with a focus on the provision of health services, have not been established in the numerous studies the researcher has evaluated. This created a need for study to be done to determine how contract management relates to the provision of health services in Kabale Municipality. The main objective of the study was to determine the relationship between contract risk management and health service delivery at Kabale Regional Referral Hospital, Kabale Municipality. Additional objectives included assessing the impact of contract planning and contract supervision on health service delivery at Kabale Regional Referral Hospital, Kabale Municipality. In order to investigate the connection between contract management and the delivery of health services in Uganda, this study used a cross-sectional research approach. The study used both quantitative and qualitative methods in a cross-sectional research design. The study included 133 respondents in its sample size. Results for the study's first goal revealed a substantial positive correlation between contract supervision and the provision of health services, with a correlation coefficient of 0.462\*\* and a P-value of 0.000, which was less significant than the 0.01 level of significance. Secondly, the study indicated that contract planning and the provision of health services are positively and significantly related, with a correlation coefficient of 0.428\*\* and a P-value of 0.000, which was below the 0.05 level of significance. A P-value of 0.000 (below the 0.05 level of significance) and a correlation coefficient of 0.793\*\* for objective three's findings on health service delivery, respectively, indicate that there is a strong positive relationship between the two. In a bid to reduce the rising cost of public administration and to remove any discrepancies or overlaps between hospitals and LGs, the study recommended that the Ministry of Health fully administratively decentralizes contract supervision activities to trusted administrators as a matter of policy. It was concluded that there is a positive significant relationship between contract supervision and the delivery of healthcare services at Kabale Regional Referral Hospital in Kabale Municipality, rejecting null hypothesis one, which held that there is no significant relationship between contract supervision and the delivery of healthcare services in Kabale Municipality, there was a positive significant relationship between contract planning and the provision of health services in Kabale Municipality, and there was a positive significant relationship between contract risk management and health service delivery in Kabale Municipality. The study also recommended that, if Kabale Regional Referral Hospital's health service delivery is to be enhanced, ongoing emphasis on contracts risk management be given a priority. The study will help to develop suitable rules and by-laws for better service delivery, where by the “Local Government representatives and other policymakers will receive information regarding contract management.

# CHAPTER ONE

## INTRODUCTION

### 1.0 Introduction

The context of the study, the problem statement, the study's purpose, its specific objectives and research questions, as well as its scope, rationale, and importance are covered in this chapter.

### 1.1 Background of the Study

#### 1.1.1 Historical Perspective

The concept of contract management has its roots in early civilization. (Agwot, 2018). (The majority of the populace, particularly in developing nations, has just come to understand service delivery. Through numerous communication channels, notably social media, citizens are pressing their governments to provide the services they demand. In the early 2000s, citizens began to demand services from their governments; hence several sectors began to highlight this idea in preparation for satisfying these needs. It is not news then that procurement and management of contract guidelines had to be revised by authorities in order to register an improvement in service delivery for Kenya and Uganda in January and February 2014. International Action for Contract Management recently conducted a survey of more than 2000 businesses, and the results revealed that “over 90% of those businesses view monitoring, management, and effective contract creation as either extremely risky or crucial to overall business success, and that 80% of businesses find it very difficult to locate contracts”.

According to Rundquist (2007), the absence of developed external markets during the industrial revolution was caused by the fact that contracting was not explicitly recognized as a business strategy until 1989. Organizations produced a vast array of upstream or downstream activities in-house out of necessity. In the 1800s and the early 1900s, very few businesses, if any, outsourced any of their operations; these businesses were wholly vertically integrated. In other words, they produced or mined raw materials, transformed those raw materials into finished goods in factories owned by the company, and then transported all of the finished goods on company trucks to retail locations owned by the company for marketing.

They built their own buildings without help from outside companies, owned their own insurance companies, handled their own taxes, hired their own lawyers, and hired their own architects (Piore & Sabel, 1990). This indicates that they only actually hired a small number of activities. The growth of specialized services prompted an increase in contracting, and in the 1990s, as businesses

focused more on cost-cutting strategies, they began to outsource operations that were essential to their day-to-day operations but unrelated to their core businesses (Rundquist, 2007).

The second industrial revolution, in the late 19th century, saw the beginning of the first wave of contracting, which sparked the expansion of industries including insurance, accountancy, law, and other professional services. Typically, the businesses doing this job were situated close to their clients' cities or regions (Piore & Sabel, 1990). In essence, this amounted to a local type of contracting. The next development phase was outsourcing the production of low-tech goods like toys, metal components, shoes, and construction materials as well as later, more high-tech manufactured goods like consumer electronics and intricate mechanical components (Rundquist, 2007; Slack, 2003). In more recent times, contracting has expanded to include knowledge-intensive or intangible operations like information technology, product development, and R & D (Quinn, 2000).

Today, purchasing includes paying for a variety of government activities to be carried out by commercial, nonprofit, or other governments (Kettl, 1993; Wise, 1990), in addition to the purchase of office supplies and administrative services. Governments are now contracting for services including information technology, policing, garbage collection, social services, and education, to name a few (Behn & Kant, 1999). While internal production is still the main way that government services are delivered, contracting has moved into the number two spot (Lavery, 1999; Warner & Hedbon, 2001), and it is becoming more common (Greene, 1996).

The history of contracting in Africa is barely covered in literature. This may be the case because contracting, in which one firm, group of people, or individual hires another company, group of people, or individual, is only now beginning to gain popularity in most African nations. The only African nations where it has been used effectively for a long time are South Africa, Libya, and Egypt, all of which have economies that are comparable to those of western nations and have established industries, particularly in the service sector (Mallard, 2006). Although contracting is still a relatively new phenomenon in Uganda, like most other African nations, the nation is starting to get increasingly involved in it (Mallard, 2006).

Large businesses/organizations including British American Tobacco (BAT), Eastern African Breweries, Coca-Cola, Civil Aviation Authority (CAA), Makerere University, some ministries, Kampala Capital City Authority (KCCA), and Hospitals are prime examples of this. Because there were so few studies on the impact of contracts management on services, this research aimed to enrich this historical perspective in relation to Ugandan enterprises.



The key health service delivery performance indicators evaluated in contract management include, among others, excellent standards attained, suitability for purpose, conveyance time, and deliverable rate. Poor service delivery impedes infrastructure growth, results in an inability to satisfy customer needs, causes budgetary failure, and prevents financial, policy, and legislative goals from being met.

### **1.1.2 Theoretical Perspective**

The foundation of this research (2003) was based on the Principal Agency theory suggested by Jensen and Meckling in 1976 and pointed out by Cliff McCue and Eric Prier and Transaction Cost Economics (TCE) theory.

#### **Principal Agency theory**

According to Jensen and Meckling (1976), a contract is "an arrangement in which one or more people, known as principals, hire other people, known as agents, to perform services on their behalf." Normally, this entails giving the agent a portion of the decision-making authority. The agent is urged to consider actions that have consequences for himself, the agent, and his master, the principal, in this particular arrangement of the principal-agent relationship. Councilors chosen by the electorate are the figures who represent the people, to put things in their correct context. On the other hand, hospital employees including members of the contracts and evaluation committees and the procurement and disposal unit (PDU) staff act as the agents (Peter, 2010). The principal is a stakeholder (a person or organization), in accordance with McCue & Prier (2008), who intends to carry out a certain obligation and perform a specified functional role within public procurement. The person or organization selected to handle these 5 duties on the principal's behalf is the agent.

However, they contend that a network of supports makes unrestricted procurement difficult. The fact that public consumers commonly feel as though they are being pulled in several directions when seeking to serve multiple masters may be due to these layers of support. Public consumers are subjected to a variety of conflicting loyalties from both their immediate and extended principals, in contrast to those that exist in the private sector.

They feel as though they have conflicting allegiances and are trapped by competing demands on their time and attention, but they do not fully understand their situation or know how to resolve their dissatisfaction, which causes them to compromise on procurement standards, which in turn affects the quality of the services they provide. Relevance of this theory. This theory is helpful in provoking thoughtful discussion about the functions that are actually done inside and those that may be outsourced without compromising future expertise requirements

(Mutarubukwa & Musomba, 2018). In order to boost performance, a company seeking a contract should plan for or decide to keep its core capabilities.

These drawbacks include administrative mechanism to loss, concealed charges, threats to safekeeping and confidentiality, problems with quality, reliance on the financial health of another organization, as well as negative press and poor (Mutarubukwa & Musomba, 2018).

Principal-agency theory asserts that when principals enter into contracts with agents, there is a risk of a misalignment between the interests of the two parties in the context of contract management. It is possible for agents to put their personal interests ahead of that of the principals, which can cause issues with the agency including moral hazard and adverse selection. By defining explicit contractual terms, keeping tabs on agent performance, and coordinating incentives to match the agent's conduct with the principal's goals, contract management approaches seek to mitigate these problems (Jensen & Meckling, 1976).

The principal-agency theory is pertinent to understanding the connection between patients or healthcare payers (principals) and healthcare providers (agents) in the delivery of healthcare services. Healthcare professionals are given decision-making power by patients and payers, who trust them to make decisions that are in their best interests. Informational imbalances and potential conflicts of interest, however, can result in agency issues in the healthcare industry, such as over-treating, over-billing, or failing to prioritize patients' needs (McCue & Prier, 2018).

Effective contract management and governance systems are essential for health care delivery to solve these issues. The behaviour of healthcare professionals can be matched with the objectives of patients and payers with the aid of clear contracts, effective performance monitoring systems, and suitable incentives. Strong oversight and accountability systems can guarantee that the agents work in the principals' best interests and provide high-calibre, cost-efficient healthcare services (Fottler, Ford, & Roberts, 2010).

### **Transaction Cost Economics (TCE) theory**

Oliver E. Williamson, an economist, established TCE, which focuses on comprehending the costs and risks related to transactions between economic players. Transaction cost economics (TCE) is one of the most widely referenced organization theories in operations and supply chain management research. Even though TCE is a broadly applicable theory of governance, one of its specific topics of interest the make-or-buy decision readily aligns with some of the central research questions on how firms manage supply chains. However, both general management and operations

management researchers sometimes misunderstand and misapply TCE's aims, assumptions, and logic. A common mistake is to read TCE as a theory of competence or of power. While TCE relates to both, TCE is essentially a theory of efficient governance of transactions in particular and exchange relationships in general. Our purpose in this study is to review the intellectual and theoretical foundations of TCE, its primary aims, and its applicability as a theory of supply chain efficiency. To this end, we discover much common ground between TCE and research in operations and supply chain management (Ketokivi & Mahoney, 2020).

TCE looks at the process of deciding whether to outsource services or maintain them in-house in the context of contract management in healthcare. Transaction costs should be taken into account by companies when deciding how best to supply healthcare services, claims TCE. In addition to the financial costs of contracting and monitoring, transaction costs also include those associated with knowledge asymmetry, opportunism, and the possibility of contract disputes (Kwon & Scully, 2008).

When deciding whether to outsource or keep services in-house, TCE advises organizations to carefully consider factors like the complexity of the services, the availability of external providers, the value of specialized knowledge, and the potential for relationship-specific investments. For instance, it may be more advantageous to maintain the healthcare service in-house to avoid transaction costs if it needs highly specialized knowledge or entails considerable relationship-specific investments (Petersen, Mazzocato, & Nilsen, 2019).

On the other hand, outsourcing to outside providers might be more cost-effective if the services are largely standardized, simply defined, and do not require significant relationship-specific investments. Organizations must, though, carefully manage the contractual process, which includes creating performance metrics, keeping track of service quality, and ensuring effective coordination and communication between the contracting parties. TCE offers a framework for analyzing the trade-offs between transaction costs and the advantages of maintaining in-house or outsourcing services. Organizations can enhance the cost-efficiency and quality of the delivery of healthcare services by making well-informed decisions by taking into account the variables and hazards involved with transactions (Kwon & Scully, 2008).

### **1.1.3 Conceptual Perspective**

Managing contracts involves "discussing the relationships and conditions in contracts, ensuring compliance with the terms and conditions, as well as documenting and approving any changes or

adjustments that may be necessary during its implementation or execution," according to Bagamuhunda (2013). In order to maximize financial and operational performance and reduce risk, it can be summed up as the process of effectively managing contract development, execution, and analysis.

In order to achieve goals for the several parties engaged in a contract, contract management necessitates the establishment of systems, processes, and networks. Important objectives and goals are communicated by organizations to the various agreement parties (World Bank, 2012).

However, the typical strategy involves methodically organizing, carrying out, and supervising the contractor's tasks (Rendon, 2009). Because a few numbers of corporations hold a monopoly in the industry, the majority of nations have also noted poor contract management, leading to subpar work and inefficiency (World Bank, 2012). In nations like the USA, China, and India, the use of private contracts has significantly increased.

Contract administration includes all interactions between the organization and the contractor from the time the contract is awarded until the work has been completed and accepted, the contract has been terminated, payment has been made, and any disputes have been resolved (Nuchre, 2010).

As a result, contract administration is the crucial step in the contracting process that ensures the organization receives the goods and services it paid for. In contract administration, getting the right products and services at the right price and on schedule is the main goal (Jin,2004).

Accurately determining the level of risk that exists inside a contract is a key component of contract risk management.

As many people have tried to sum it up, there are as many varied perspectives on service delivery as there are definitions of it. The varied definitions of service delivery come from the various contexts in which one tries to describe it, although similar elements are discovered in the many attempts.

Bebko's definition from 2000 focuses on making sure that the appropriate locations receive services, but it does not address service quality or whether recipients would benefit from them.

Managing service delivery entails making sure that what was agreed upon is carried out according to the necessary quality standards (Nduhura, 2019). A service is something that the general public needs and is provided by the government or another official body in a planned and structured manner. Examples include transportation, communications infrastructure, healthcare, or energy

supplies. Deliveries are made to locations where customers are waiting for certain items (Collins Dictionary of English).

### **1.1.4 Contextual background**

Public institutions in Uganda have also come to understand the value of contracting. The Hospital Director serves as the Accounting Officer at Kabale Regional Referral Hospital, which is a contracting business.

The PDU was formally constituted in February 2008 after the appropriate employees had been hired in order to abide by the Local Government PPDA regulations of 2006 and assist improvements in service delivery. Previously, the Finance and Administration department organized the management of the PDU function. The Senior Procurement Officer is in charge, with the assistance of the Assistant Procurement Officer. The other 8 departments help them out by supporting the procurement process in a variety of ways, including planning, budgeting, contract administration, monitoring, and reporting.

The Regulations governing the procurement of public goods and services, as well as the sale of public assets, amended in 2006, set out precise procedures for managing contracts. Despite this, "the Ugandan government continues to lose billions of shillings through mismanagement of contracts below average, which created bottlenecks in the contractual provision of services. According to the 2013 Report on Public Procurement and the Sale of Public Assets and the Performance Report of the Auditor General (2014), contract management and enforcement is the biggest problem facing most government agencies.

On average, purchases showed a 25.2% deviation from their contracts, with deviations ranging from 22% to 108%. Additionally, 30% of purchases were deemed high-risk due to various factors, such as inadequate planning, failure to adhere to approved procurement plans, delayed payment to suppliers, delays in completing construction projects, payment for subpar or undelivered services, insufficient capacity within procurement and disposal units, and an inability to establish application projects.

## **1.2 Statement of the Problem**

The Kabale Regional Referral Hospital in South West Uganda still encounters difficulties in reaching its objective of providing top-notch medical treatment, despite the necessity of efficient

contract administration being acknowledged in assuring high-quality service supply. The hospital relies on outsourcing for a number of its operational tasks, including waste collection, solid waste management, vehicle and equipment repairs, building maintenance and cleanup, food service, and cleaning services. The hospital's government procurement, however, is still plagued by shoddy work, poor products, and services, which points to flaws in the systems used for contract management. With a focus on finding the underlying causes contributing to problems like corruption, subpar service delivery, and a lack of proactive management, this study attempted to analyze the relationship between contract management practices and healthcare service delivery at Kabale Regional Referral Hospital.

### **1.3 Purpose of the study**

To evaluate the effect of contract management on health care delivery in Kabale Municipality, Uganda.

### **1.4 Objectives of the study**

The study was intended to achieve the following objectives:

- i. To assess how contract supervision affects the provision of healthcare services at Kabale Regional Referral Hospital, Kabale Municipality.
- ii. To determine how contract planning has affected the provision of healthcare services at Kabale Regional Referral Hospital, Kabale Municipality.
- iii. To ascertain how contract risk management and the provision of healthcare services at Kabale Regional Referral Hospital, Kabale Municipality, relate to one another.

### **1.5 Research hypotheses**

- i) There is no significant effect on contract supervision and health service delivery at Kabale regional referral hospital, Kabale municipality.
- ii) There is no significant effect on Contract Planning and health service delivery at Kabale regional referral hospital, Kabale Municipality.
- iii) There is no relationship between contract risk management and health service delivery at Kabale regional referral Hospital, Kabale municipality.

### **1.6 Scope of the Study**

The study scope focused on geographical, content and time scope.

### **1.6.1 Content Scope**

The study focused on content related to contract management and health service delivery.

### **1.6.2 Time Scope**

The target years of the study were 2010 to 2020. This period was chosen because the researcher believed that it was sufficient to generate sufficient literature related to the concepts of contract management and healthcare delivery.

### **1.6.3 Geographical scope**

The study was carried out precisely at Kabale Regional Referral Hospital, which is located in south-western Uganda's Kabale Municipality. The following processes were looked at: change orders and variations, receipting of goods and services, processing of invoices, progress alerts, reporting on key performance indicators (KPIs), approvals, completion, and close out.

## **1.7 Conceptual Framework**

The conceptual framework explains how concepts relate to one another. To determine which path to take and why is similar to using a map. According to Komakech (2020), a conceptual framework is the fundamental framework of a research project made up of certain abstract ideas and concepts that the researcher intends to observe, experiment with, or examine. Contract management, which comprises three components -- contracts supervision, contract planning, and contract risk management -- is the independent variable. The dependent variable is health service delivery, which consists of three indicators: justified accessibility of health services, prompt delivery of health services, and accessibility of medical equipment (Komakech, 2020). The study also looks at intervening variables that affects both the IVs and DV. These variables include the following:

**Information Systems and Technology:** The use of information systems and technology in contract management and health service delivery could impact the efficiency, accuracy, and effectiveness of the processes involved.

**Organizational Culture:** The culture within healthcare organizations, including values, norms, and practices, can influence how contract management is approached and integrated into the delivery of health services.

**Governance and Regulatory Environment:** The administration and execution of contracts as well as the provision of healthcare services may be impacted by the regulatory framework and governance structure in which healthcare companies operate.

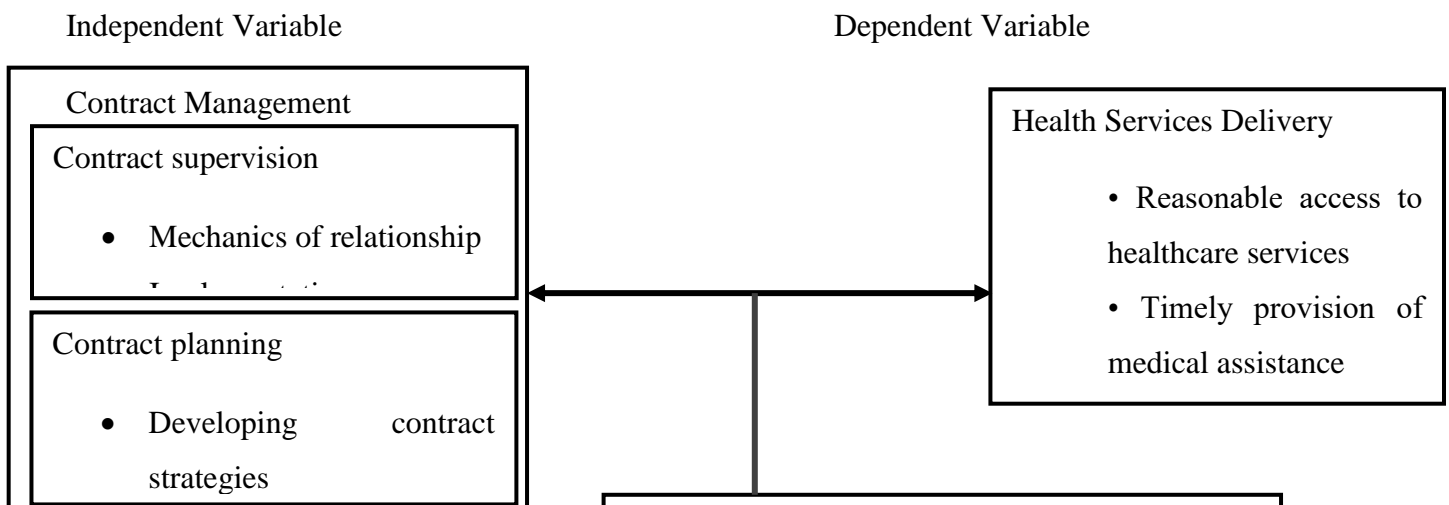
**Financial Resources and Incentives:** The decision-making process and results relating to contract management and the provision of healthcare services can be influenced by the availability of financial resources, funding mechanisms, and incentives for both healthcare providers and contractors.

**Stakeholder Engagement and Collaboration:** Contract management procedures and the overall provision of healthcare services may be affected by the level of engagement, collaboration, and communication among stakeholders, including healthcare providers, contract managers, patients, and regulatory agencies.

**Capacity Building and Training:** The successful adoption and execution of contracts as well as the standard of healthcare service delivery can be impacted by the knowledge, abilities, and training of contract managers and healthcare professionals.

As a result, the researcher put out the hypothesis that the delivery of health services is not significantly connected with contract supervision, contract planning, or contract risk management.

**Figure 1: Conceptual framework on Decentralization and Health Services Delivery**





Contract risk management

- Progression risk

*Source:* Adopted from (Komakech, 2020)

### **1.8 Significance of the study**

- i. The study will help to develop suitable rules and by-laws for better service delivery, “Local Government representatives and other policymakers will receive information regarding contract management.
- ii. Finding areas for additional research will be made easier for future researchers like university students and other supply chain professionals.
- iii. Since there hasn’t been much empirical research on contract management and the provision of healthcare in Uganda, the study's findings have added to the body of knowledge on the subject. This information may also be used to help organizations like businesses develop plans for contract management.

## **CHAPTER TWO LITERATURE REVIEW**

### **2.0 Introduction**

A review of the literature on the idea of contract management and health service delivery is presented in this chapter.

## 2.1 Theoretical Review

The Principal Agency theory, developed by Jensen and Meckling in 1976 and cited by Cliff McCue and Eric Prier, served as the foundation for this study (2003). According to them, a contract is "an arrangement in which one or more people, known as principals, hire other people, known as agents, to perform services on their behalf." Normally, this entails giving the agent a portion of the decision-making authority. Under this configuration of the principal-agent relationship, the agent is advised to think about acts that have implications for both himself, the agent, and his master, the principal. In order to put this properly into context, councilors who are chosen by the electorate are the leaders who represent the people. On the other hand, hospital personnel (staff in the procurement and disposal unit (PDU) and members of the contracts and evaluation committees) operate as the agents (Peter, 2010).

According to McCue & Prier (2008), the principal is a stakeholder (a person or organization) who intends to carry out a certain duty and fulfil a defined functional role within public procurement. The agent is the person or entity chosen to take care of these 5 duties on behalf of the principal.

They assert that a network of supports is complicated in unrestricted procurement, though. These layers of support may be the reason why public consumers frequently feel as though they are being pushed in different directions when attempting to serve several masters. Public consumers, in contrast to those found in the private sector, are subject to a variety of conflicting loyalties from both their immediate and extended principals.

They feel as though they have conflicting allegiances and are trapped by competing demands on their time and attention, but they do not fully understand their situation or know how to resolve their dissatisfaction, which causes them to compromise on procurement standards, which in turn affects the quality of the services they provide. This theory is helpful in provoking thoughtful discussion about the functions that are actually done in-house and those that may be outsourced without compromising future expertise requirements (Mutarubukwa & Musomba, 2018). In order to boost performance, a company seeking a contract should plan for or decide to keep its core capabilities.

These drawbacks include administrative mechanism to loss, concealed charges, threats to safekeeping and confidentiality, problems with quality, reliance on the financial health of another organization, as well as negative press and poor (Mutarubukwa & Musomba, 2018).

### **2.3 To examine the effect of contract supervision on health service delivery**

After a contract is awarded, organizational officials engage in contract monitoring to assess how well both the organization and contractors are meeting the contract's requirements (Hewitt, Money, & Sharma, 2002; Jap, 1999; Lyons, Krachenberg, & Henke, 1990). This includes all interactions between the organization and the contractor from contract award to completion and acceptance or termination, as well as payment and dispute resolution (Vickery in Nucharee, 2009). Contract monitoring is crucial to ensuring that the organization receives the quality of goods and services it has paid for, and focuses on timely delivery within the budget and required quality (Jin, 2004). While legal requirements dictate the proper conduct of organizational officials in administering contracts, skill and judgment are often necessary to protect service recipients' interests (Monczka et al., 2005).

Effective contract monitoring is necessary for successful contract conclusion and customer-supplier relationships. Clear administrative procedures ensure that all contracting parties understand their roles, and how service delivery can be improved (Kennedy in Nucharee, 2009). Properly managed contracts ensure that end users are satisfied with the product or service received under the contract, and adequate funding is necessary to achieve this. Responsibility may fall on specific individuals (Anderson & Narus, 1990), or if shared among the contract management team, all team members should address contract management tasks promptly, particularly in the early implementation stages to achieve better service delivery.

However, many organizations/agencies have weaknesses in their contract monitoring practices, with contracting authorities spending more time awarding contracts than managing existing contracts, resulting in contractor performance issues, cost overruns, and delivery delays (Morgan & Hunt, 1994).

A number of other deficiencies were also identified, including unclear roles and responsibilities of contractor technical representatives, a disproportionate backlog of contracting and backlogs of audits, inadequate training of contract monitoring personnel, unclear job descriptions that impede contractor performance, and inadequate accreditation guidelines. (Kannan & Tan, 2016; Ragatz et al., 2017).

Relationship mechanisms and service delivery.

Long-term technology-based contracts are complex and uncertain, with unforeseen liabilities and rapid changes in technology and organizational environments. This leads to inherent information asymmetry, making legal contracts alone inadequate as a governance mechanism (Koh, et al. 2004;

Jahner et al. 2006). To address this, additional informal governance mechanisms, such as relationship management based on establishing a psychological contract, are recommended (Goles & Chin, 2015; Klepper, 2005). These mechanisms transform governance from a contract-based to a relationship-based system that operates "in the spirit of the contract" (Kern & Willcocks, 2000). The effectiveness of such informal customer-supplier relationships has been widely studied, highlighting the importance of trust, commitment, communication, and flexibility for successful outsourcing (Lee et al., 2004; Poppo and Zenger, 2012; Kern and Willcocks, 2010). Relational management relies on social connections and interpersonal interactions to monitor and encourage desired behaviors, unlike formal mechanisms with clearly defined rules. Personal bonds and mutual commitment fostered by relationship-based systems significantly influence the delivery of outsourcing benefits (Koh et al., 2004; Rousseau & Tijoriwala, 1998; Robinson et al., 1994). Good government/business relations act as a catalyst in the contract enforcement process (Kamarck, 2002), with cooperation and relationship-building necessary for achieving strategic goals of both government agencies and private industry (Laurent, 2000). Public sector organizations are streamlining bills and reducing bureaucracy to promote performance-based, cost-sharing, and long-term contracts (Burman, 2017; Kelman, 2010). However, to respond to changing circumstances and difficulties faced by suppliers, public buyers must understand the importance of working with suppliers to achieve contractual outcomes and be engaged in the exchange process (Murray, 2010; Linscott, 2019).

## **2.2 To assess the effect of Contract Planning on health service delivery in Uganda**

Wassenaar and Dradus (2014) suggest that contract planning should begin before the contract is awarded and continue until its completion, taking into account the requirements for managing the contract. These requirements should consider factors such as value, complexity, strategic importance, risk, overall market maturity, and the capability of the selected supplier. It is important to enter into contracts through a formal contract management system.

Planning is a crucial aspect of contract management. Organizations or agencies should have a clear understanding of their overall goals, the methods they are using to achieve these goals, the type of organization they will be dealing with, the desired or expected relationship with that organization, their contracting policies and capabilities, how they will ensure the accountability of public funds, financial restrictions, and risk management. This approach will enable organizations to provide better services (Didijkgraaf and Wassenaar, 2014).

The primary objectives of corporate contracting are to promote effective performance and relationships, identify and eliminate potential problem sources, minimize risks and negative effects when problems arise, manage conflicts, prevent litigation, and reduce costs and losses when they cannot be avoided (Haapio, 2006).

Careful planning is required in order to use contracts to accomplish these goals. Proper planning and careful communication of the plans are the foundation for high-quality contracts (Domberger, 2017). This guarantees a common understanding of the contractual terms and the objectives of the parties (Domberger, 2017). Contracts of high quality are fair, balanced, and easy to understand.

These agreements can be implemented effectively and lay the groundwork for enduring loyalty and trust.

The earlier (earlier is better) that the foundations for high-quality contracts are laid, the better (Dijkgraaf, Gradus, (2003). Building the foundation for effective contracting, agreements, and relationships requires careful planning on the part of both buyers and suppliers. If organizations are to offer better services, the majority of contract information is (or should be) captured during that stage, during the pre-contract process.

Setting goals in contract management entails making sure they are precise, measurable, doable, realistic, and time-bound (S. M. A. R. T) goals (Latham. Assuring that members of a group with a common goal know what is expected of them, according to goal-setting theory, makes it an effective tool for progress. The most common type of goal-setting for contract management is on a personal level, which helps people work toward their own objectives. The literature on contract planning emphasizes the importance of goal-setting.

## **2.4 To examine the relationship between Contract Risk Management and Health Service Delivery**

Throughout the contracting process, contracting organizations face a variety of risks and difficulties, endangering the delivery of services (Mc. Pake and Ngalande, 2014). The process of contracting can be complex and pose various risks and difficulties, such as intricate technical procedures, product specifications that heavily favor the provider, and the use of estimated quantities of goods or services. In addition, various actors involved in the process, including suppliers, contractors, institutions, managers, and regulators, can create conflicts of interest, leading to further risks and difficulties. In order to mitigate these risks and deliver better services, it is crucial for organizations to carry out process and supplier assessments. Contract risk can take

many different forms (supplier dependence, price volatility, supply chain disruption, etc.), and most businesses regularly deal with these realities, which compromise service delivery. This investigation's goal was to examine contract risk management at Kabale Regional Referral Hospital and how it impacts the provision of medical care.

### **Delivery of health services and process risk management.**

According to Kelman (2010), risk management should be treated like any other important business activity, which means it requires a clear process with a defined objective, reliable inputs, well-planned activities, and valuable outputs. The risk management process typically includes activities such as risk identification, measurement, evaluation, mitigation, and monitoring.

Enterprise risk assessment is a crucial process that helps companies identify and prioritize risks. This assessment provides decision-makers with high-quality information to develop effective risk responses and manage priority risks. It's important to assess process risks across the entire organization, including critical business units and functional areas.

Effective risk assessment considers factors like impact, likelihood, velocity, and persistence in the context of business strategy. Once priority risks are identified, the causes behind them should be investigated. By understanding the risk drivers, it is easier to develop risk metrics and proactive responses at the source

### **Delivery of health services and supplier risk management**

Businesses must fully understand the value of supplier relationships and the necessity of formalizing those relationships through contracts. Supplier relationship management, which is directly related to securing the supply of essential commodities required for business survival, has gradually come to be seen as a crucial element.

When one party provides a variety of goods and services (e.g. commodities) to the other, wherein the terms of business are recorded in a structured document(s) that clearly state the legal responsibilities of each party an organization can have some control over the deliverables and performance criteria by managing this formalized relationship.

Contracts are used in business relationships frequently because they define the conditions, costs, and service expectations of relationships with clients, partners, and/or suppliers. Contracts give an organization a framework for managing and reducing risk in its relationships with suppliers. Contracts have consequently evolved into dynamic living documents that increasingly dictate how business is conducted on a daily basis. The systematic management of contract creation, execution,

compliance, and analysis is necessary for contract management in order to maximize performance and reduce risk.

According to Cohen, Cercone, and Macaya (2002), an organization's supplier dependency has a significant impact on its contracting practices. Organizations often rely on a small number of suppliers who provide a crucial part, ingredient, good, or service, and finding alternatives can be challenging. As a result, the organization's ability to deliver its services can be uncertain. Risk management strategies should aim to reduce supplier dependency and ensure the continued solvency and dependability of key suppliers. Supplier quality is also a common concern in contract management.

Price volatility is another risk factor that affects service delivery. Soeters (2018) found that concerns about supplier dependence and price volatility are almost equally prevalent. While supplier dependence can be addressed through alternative suppliers, price volatility is often outside the supplier's control. Advanced risk management policies and programs can help organizations anticipate price increases and prepare for them. Organizations can also consider reexamining supplier contract price-escalation clauses, redesigning products to reduce dependence on volatile commodities or components, and repurposing existing finished goods to reduce the need for new-part purchases.

## **2.5 Health Service Delivery**

Nabyonga-Orem et al. (2015), define health services delivery as a situation where employees have an obligation to offer services to maintain or improve other people's health, safety or wellbeing.

This category of employees includes nurses, physicians and other medical workers.

Delivery of health services can be perceived at individual or organizational level. Individual service delivery is the ability of an employee to delivery services with passion for the job and enthusiasm (Vakola& Nikolaou, 2005). It includes having morale, initiative and in good working environment. Employees have high capacity to perform their role, and their job performance and efficiency. Good services delivery from an individual is measured increase in productivity and high quality products and services (Ssengooba. 2010).

At organizational level, health Services Delivery is the magnitude to which the company is able to motivate her workforce to provide high quality products and services to clients. Maintain good relationships with clients and have a positive publicity (Stacciarini. 2009).

Due to the distinct qualities of services, such as their intangibility, heterogeneity, inseparability, and perishability, it appears that measuring service quality presents challenges to service providers (Bateson, 2015).

According to Munusamy et al. (2010), various measuring models have been developed to measure perceptions of service quality in healthcare due to its complexities, as identified by Gronroos (2014). One such model is the SERVQUAL model, developed by Parasuraman et al. (2018), which proposes a five-dimensional construct of perceived service quality that includes tangibles, reliability, responsiveness, assurance, and empathy.

Healthcare involves multiple stakeholders, including clients (patients), service providers, and the community. Each stakeholder has a unique perspective on healthcare quality. Zaslavsky (2000) suggests that the patient's perception of quality is heavily influenced by their unique characteristics, and this perception affects their compliance, follow-up choices, and long-term life changes. On the other hand, Brown et al. (1993) argue that the provider's perspective focuses on the resources and circumstances required to improve the community's and patient's health status according to technical standards in use and accessible resources. From the provider's point of view, the American Hospital Association's Center for Health Care Governance identifies six factors, including mission, culture, performance, leadership, strategy, and resource allocation, that are responsible for quality.

In accordance with WHO (2000), providing high-quality medical care involves doing everything possible to satisfy the demands and goals of both patients and medical professionals. The three pillars of structure, process, and outcome make up the "triad" of health care quality, according to Donabedian (1980). Structure refers to consistent, tangible qualities (like infrastructure, tools, and technology), resources of the organizations that provide care, and the financing of care (levels of funding, staffing, payment schemes, and incentives). Process is the point in time when caregivers and patients interact and transform structural inputs from the health care system into health outcomes. Process measures, in accordance with Jha (2006), can be supported by scientific evidence, are reasonably simple to measure and compare, and are under the control of the physician. He does issue a warning, however, about the limitations of measuring the quality of care. This is because only a small portion of the process is evidence-based, and clinical care frequently relies on physician judgments that are difficult to translate into indicators (for example, the confidentiality of the doctor-patient relationship is not observable).



Process is the key to improving the standard of medical care, according to the Institute of Medicine (2001). The idea has been expanded to incorporate additional, more contextual elements to show how process changes can improve care, and they have been widely accepted as benchmarks or aspects of raising the standard of healthcare. Patient safety, effectiveness, patient-centeredness, timeliness, efficiency, and equality are the six facets that have been identified.

## **2.6 Research gap**

According to several researches, including Godfrey (2014) and Ntongo (2012), contract administration, relationship management, and contract closing do in fact have a connection to service delivery (Alinaitwe, 2007; Soliman, 2011; and Young, 2008). The extents of these associations, with a focus on the provision of health services, have not been established in the numerous studies the researcher has evaluated. This created a need for study to be done to determine how contract management related to the provision of health services in Kabale Municipality.

The body of research on contract management has been extensively reviewed. With few studies examining the relationship between the study independent variables—contract risk management, contract administration, and contract planning—in relation to the provision of health services, the majority of the literature explains the process of contract management. Since the majority of the literature is from developed nations, the conclusions may not be applicable to developing nations like Uganda, and specifically Kabale Municipality.

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.1 Introduction**

This chapter presents the approaches the researcher used to gain information on the research problem.

#### **3.2 Research design**

In order to investigate the connection between contract management and the delivery of health services in Uganda, this study used a cross-sectional research approach. Cross-sectional studies can help answer research questions by gathering data and generating conclusions about an interest population at a certain moment, as well as by looking into different exposures and outcomes without the need for follow-up (Mugenda, 2003). To ascertain the relationship between the variables under study, the researcher used both quantitative and qualitative research methods. The study was less difficult to execute than individual-based studies because follow-up was not required.

#### **3.3 Target Population**

The municipality of Kabale has a total population of 49,667 people (UBOS, 2014). Kabale Regional Referral Hospital has an estimate population of 500 people.

#### **3.4 Sampling Techniques and procedure**

A sampling technique is the name or other identifier of the particular process used to choose the sample's constituent entities. (Amin, 2005). The researcher used a combination of traditional random sample and selective sampling techniques to recruit participants for the study. According to Siegle (2004), when each participant has an equal probability of being chosen for the study, simple random sampling should be utilized. However, the researcher also used purposive sampling because the study's population was limited and because people in particular strata possessed important information because of their familiarity and experience with the topic at hand. Key informants were chosen using this technique, including senior administrators from the operational management division of the hospital and members of the Kabale Municipal Council. This strategy was used by selecting specific responders who were thought to be more knowledgeable about the subjects under study based on their specialized expertise and seniority.

The clinicians who participated in this study were selected using a simple random sampling procedure. It was selected because it limits sampling bias and ensures that every member of the medical staff has an equal opportunity to participate in the study (Mugenda and Mugenda, 2003).

The 225 participants in this study included employees of the Kabale Municipal Council (35), the Kabale Regional Referral Hospital (65), and chosen citizens (daily health service users) (125) KRRH (2019) and KDLG (2016a). This was established using the sample size calculation table developed by Morgan and Krejcie (1970).

**Table 1: Sample size selection and sampling technique**

Category	Strata population	Target	Target Population	Sample size	Sampling technique
Kabale Municipal Council Headquarters staff	Municipal Council Executive		5	5	Purposive sampling
	Other Town Council officials		30	14	Simple random sampling
Kabale Regional Referral Hospital staff	Top management staff		5	5	Purposive sampling
	Operational management staff		60	52	Stratified sampling
Citizens (Health Service users/patients)	Selected public health service users		125	68	Simple Random sampling
Total			225	144	

Source: KDLG, (2022a), Morgan & Krejci's table of sample size determination, (1970)

Morgan and Krejcie's (1970) sample size determination table was used to select 144 respondents from a target population of 225 as illustrated in the table above.

### 3.5 Data Collection Methods

#### 3.5.1 Questionnaire Survey

A questionnaire survey is a type of research method that employs standardized questions to gather data from a particular population (Amin, 2005). The medical staff and service providers at the Kabale Regional Referral Hospital were surveyed using a questionnaire. This approach required meticulously gathering information from the sampled population. This set of respondents was polled using a questionnaire since there were too many of them to speak to one-on-one.

### **3.5.2 Face-to-face interview**

Face-to-face interviews was used to collect data from administrators of these various healthcare facilities because they give the researcher the opportunity to get to know them better and, as a result, gain their cooperation. The researcher was also given the chance to define puzzling responses and elicit thorough information by probing. Data collection for this study involved semi-structured interviews.

Open-ended questions were employed in order to get more helpful information from the interviewee and respondent. The most popular interviewing format in qualitative research is semi-structured interviews. In order to get the respondents to explain the issue in greater detail, Bloom and Crabtree (2006) heavily relied on the probing questioning technique. This was partly because respondents frequently needed external stimuli to broaden or clarify their own responses and concepts, which made it simpler to interpret the study's results later.

### **3.5.3 Documentary review**

Secondary data was provided by Kabale University's documentation centre. Journals, articles, reports, and books were used as data collection and compilation sources. These records and studies supplemented and added to the data gathered by other data collection tools.

## **3.6 Data collection instruments**

In the study, three different types of data collection tools were employed. These contained the checklists for documents, interview guides, and questionnaires mentioned above, which are briefly detailed in the subsection that follows.

### **3.6.1 Questionnaires**

In accordance with the requirements of the study's questions and hypotheses, a questionnaire, according to Denscombe (2010), is a properly developed instrument for gathering data.

Self-administrated questionnaires were used in the study. 'A Self-Administered Questionnaire (SAQ) is a survey that is intended to be completed by a respondent on their own without the assistance of the researchers (such as an interviewer) gathering the data,' according to Mugenda and Mugenda (2003). SAQs were used to collect quantitative data from service providers and healthcare professionals. SAQs were used for this group of respondents in order to save time because there were too many of them to speak to one-on-one and because they could read and write English. They could complete the questionnaires on their own without help because they are literate in the language.

### **3.6.2 Interview Guide**

An interview guide is an instrument created especially for use during an oral, face-to-face data collecting session in which the interviewer asks the interviewee questions and records the interviewee's responses (Mugenda & Mugenda, 1999). Interview guide was utilized to get qualitative information from contract managers and administrators who could answer detailed questions during face-to-face interviews. The contract managers were asked questions by the researcher, and the researcher recorded their responses in writing. The information gleaned from the interview enhanced that from the questionnaire.

### **3.6.3 Documentary review checklist**

Moreover, a collection of pertinent resources such as upcoming articles, yearly reports, academic publications, promotional materials, and magazines that relate to the research was incorporated. A copy of this list was given to representatives from the establishments that were visited in order to aid in the search for the documents.

### **3.7 Procedure of data Collection**

Authorities at Kabale Regional Referral Hospital and service providers were asked for permission to conduct the study by way of a letter from Kabale University's Faculty of Economics and Management Sciences. The questionnaires were presented to the Kabale hospital personnel and service providers for completion once authorization to conduct the study has been granted, and they were then collected. Access to the interview procedures, which took place on appointments with user department heads, was also granted through the cover letter. Analysis was done on the data gathered utilizing the questionnaires and interviewing techniques.

### **3.8 Validity and Reliability**

#### **3.9.1 Validity of Results**

In order to determine an instrument's validity, it is important to assess how accurately the findings of the analysis depict the phenomenon being studied. To achieve validity for the questionnaires and interview guide used in this study, a test-retest procedure was employed. The initial drafts of the questionnaires were given to a supervisor and three peers involved in the study, who provided critical evaluations to ensure that the instruments could accurately measure what was intended. The feedback provided by these individuals also helped the researcher to determine which questions were applicable. To calculate the content validity index (CVI) for the questionnaires and interview guide, the researcher used the Amin (2005) formula based on the ratings provided by the supervisor and study peers. An acceptable value of 0.7, as suggested by Amin (2005), was used as

the minimal threshold for determining whether the instruments were appropriate for use in the study. The CVI was calculated using the following formula:

$$\text{CVI} = \frac{\text{Number of Item rated as relevant}}{\text{Total number of items on the instrument}}$$

$$= \frac{37}{43} = 0.86$$

Therefore, the C.V.I of 0.86 was got which is above the recommended 0.7 for the study to be considered valid.

### 3.8.2 Reliability

Instrument reliability is defined as the capacity of a research tool to generate dependable results, according to Saunders et al. (2007). Despite employing various methods in the study, Mugenda and Mugenda (1999) suggest that random errors that impact the reliability of data collection instruments cannot be entirely eliminated. To estimate the reliability of the research tools used in this study, the researcher employed the Cronbach's alpha coefficient, which was developed in 1949, as suggested by Amin (2005). A high level of instrument reliability is indicated by a reliability coefficient of 0.7 or higher.

*Table 2: Reliability Statistics*

Cronbach's Alpha	N. of Items
.921	43

According to the reliability statistics table presented, the Cronbach's Alpha value was 0.921, exceeding the minimum threshold of 0.7 and indicating that the instrument was reliable, as noted by Amin (2005).

## 3.9 Data Analysis

### 3.9.1 Quantitative Data Analysis

The quantitative data gathered from the surveys was sorted and modified by the researcher and research assistants. The information was then divided into categories based on the metrics being used to gauge the notion under investigation. The SPSS statistical tool was used to process the raw data, construct a data sheet, and summarize the coded data into percentages and frequency tables that were simple to understand. The data were subjected to descriptive statistics, and the mean and standard deviation for the independent and dependent variables—measured on an interval scale—

were computed. Because Pearson's correlation coefficient is appropriate for interval and ratio variables, as stated by Sekaran (2003), it was employed to examine the link between the independent and dependent variables. Along with correlation analysis, regression

### **3.9.2 Qualitative Data Analysis**

Key informants were interviewed using a guide, and daily editing was done on the qualitative data collected. In order to provide meaning to the data, themes, classifications, and patterns were created. To identify instances of thematic ideas in various text passages, labels were given. The researcher was able to quickly locate and compile all relevant texts and data for each theme notion thanks to this labeling or coding method. These were then reviewed and contrasted across various scenarios. The data was analyzed using content analysis or discourse analysis, with a focus on looking at speech patterns, like how the issue was discussed, and connecting it to the research variables. (2009) (Barifaijo et al)

## CHAPTER FOUR

### PRESENTATION, ANALYSIS AND INTERPRETATION OF FINDINGS

#### 4.0 Introduction

The Kabale Regional Referral Hospital in Kabale Municipality served as the case study for a study on Contract Management and Health Service Delivery in Uganda, and the findings are presented in this chapter. The outcomes are arranged in accordance with the goals and hypotheses of the investigation. The study's specific goal was to find out how contract supervision, planning, and risk management affect the provision of healthcare services at Kabale Regional Referral Hospital. The chapter provides information on the study's response rate, historical context, and empirical findings.

#### 4.1 Response Rate

The target sample size of this study was 144 respondents who were examined through questionnaires and interviews as indicated in table 4.1.1 below.

**Table 4.1.1 Response rate**

Instrument	Target sample (N)	Actual sample (N)	Response rate (%)
Self-Administered Questionnaire	134	124	86.1
Interview guide	10	09	90
<b>Total</b>	<b>144</b>	<b>133</b>	<b>92.4</b>

**Source:** Primary data, 2023

92.4 percent of those who participated in the poll responded, as shown in Table 4.1 above. An overall response rate of 86.1 percent was achieved when the researcher issued 134 questionnaires to 134 respondents, 124 of which were totally completed and returned. Only 9 of the 10 interviews that were intended to be conducted with 10 respondents were actually completed successfully, yielding a 90% response rate, as shown in Table 4.1 above. This was a good representation that allowed the researcher to continue with data analysis (2005), making the study's findings more reliable because the greatest proportion of the anticipated participants took part in the study.



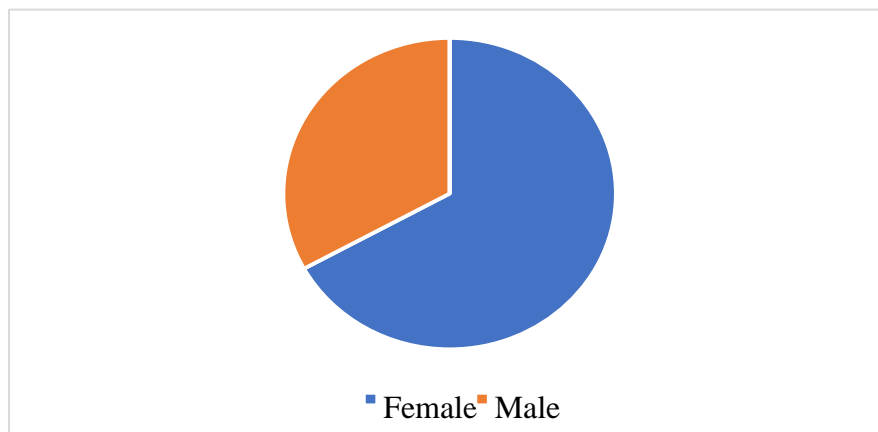
## 4.2 Background Information

Background information for this study included gender, age group, education level, place of employment, length of service, and the number of times respondents had ever used public health services as patients or patient's attendants. Such information was crucial because it gave researchers a better understanding of respondents' attitudes about issues including contract management and the provision of healthcare services.

### 4.2.1 Gender distribution

This section aims at establishing the gender of the respondents. A self-administered questionnaire was used to collect this data. The outcomes are shown in Figure 4.2.1 below.

**Figure 4.2.1: Gender of the respondents**



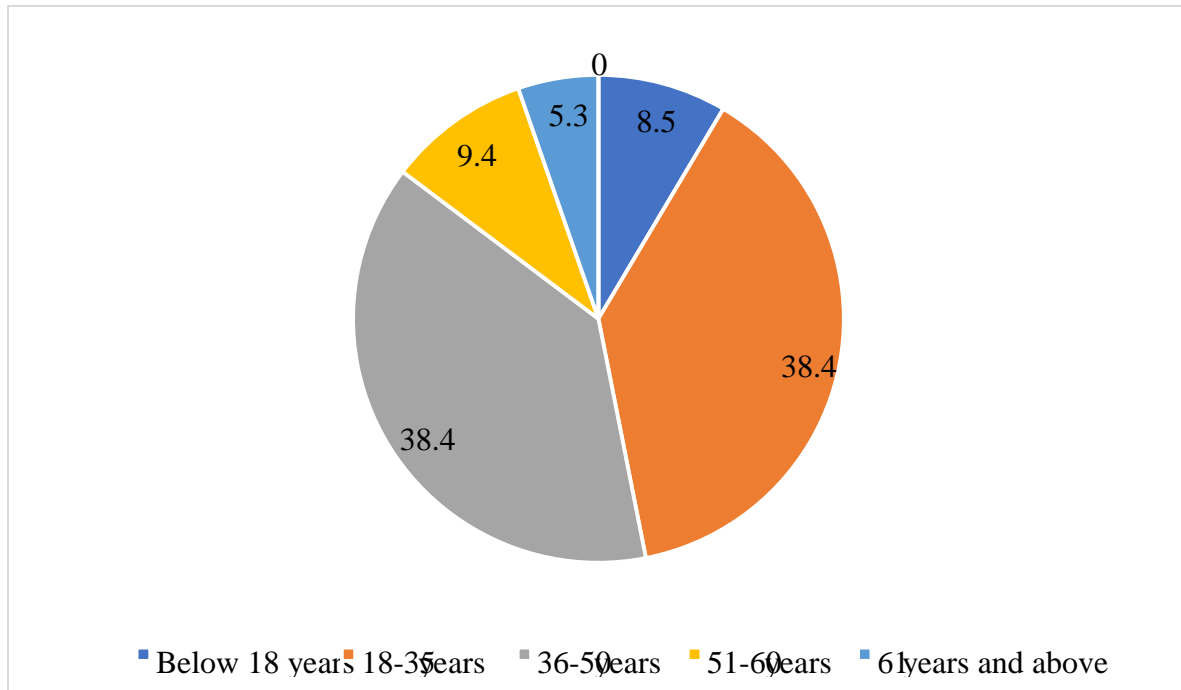
**Source:** Primary data, 2023

Figure 4.2.1 reveals that 67% of the respondents were female and 33% were male. The inclusion of both males and females, which lessened gender-based biases and variations, suggests that the study was gender-representative. In spite of the fact that they were the ones who required health care the most, ladies in Kabale Municipality participated more in the delivery and receipt of those services than their male counterparts did.

### 4.2.2 Age distribution

Figure 4.2.2 below presents age distribution of respondents.

**Figure 4.2.2: Age distribution**



**Source:** Primary data, 2023

Data in Figure 4.2.2 show that in Kabale Municipality, 38.4% of respondents were between the ages of 18 and 35 and 36 and 50, respectively. This conclusion demonstrates that the study was representative and credible since the age range of respondents was deemed mature enough to understand and appreciate the challenges linked to contract management and the provision of healthcare services.

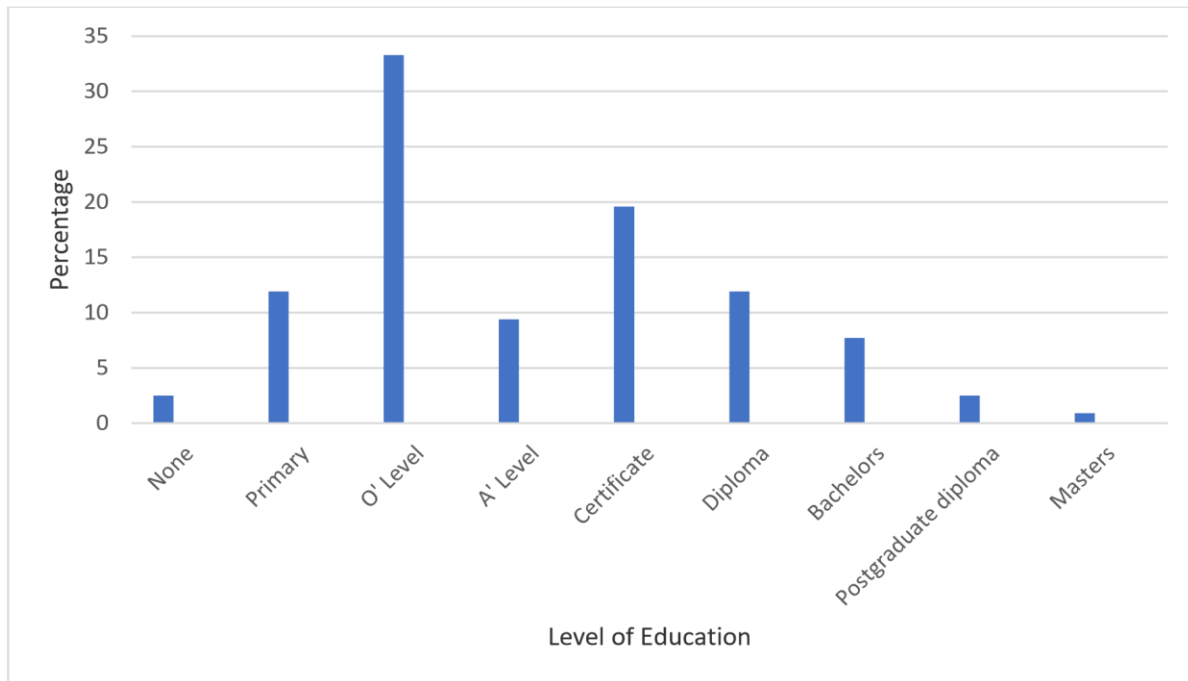
Although only 9.4% of respondents were between the ages of 51 and 60, they were crucial because they were experienced and knowledgeable about contract administration and the provision of healthcare services.

As a result, one may think that the information supplied was accurate and reliable if age was related to a person's understanding of the elements under consideration.

### **4.2.3 Highest Level of Education**

This aimed at establishing the level of education distribution of the respondents. The findings are illustrated in Figure 4.2.3 below.

**Figure 2.2.3: Highest Level of education of the respondents**



**Source:** Primary data, 2023

Figure 4.2.3 shows that only a small percentage of respondents had completed various levels of education. In particular, 33.3 percent had earned their O' Levels, 19.6 percent had a certificate, 7.7 percent had a Bachelor's degree, 2.6 percent had a postgraduate diploma, and 0.855 percent had earned their Master's degree. Despite being small, these percentages were crucial in assessing how contract management affected the provision of healthcare services. The bulk of respondents (85.4 percent) had at least completed their O' Level schooling, showing that they were literate and capable of effectively completing the surveys despite the small fraction of highly educated respondents. They were therefore regarded as credible and valuable experts on decentralization and the provision of public health services. It's likely, though, that those with less knowledge had a hard time understanding the questions. In order to solve this, the researcher made sure that a literate research assistant was present to translate the questions into Rukiga, the dialect that the respondents felt most at ease speaking.

### **4.3 To examine the effect of contract supervision on health service delivery at Kabale Regional Referral Hospital**

The initial objective of the study was to determine how contract supervision affected the provision of healthcare services at Kabale Regional Referral Hospital in Kabale Municipality. The conclusions of the aforementioned objective are shown in the following descriptive statistics. The

size of the mean score, as demonstrated by that measuring indicator, reveals the degree of administrative decentralization and public health care delivery in Kabale Municipality. On a 5-point Likert scale from 1 to 5, with 1 denoting strongly disagree and 5 denoting strongly agree, the terms SD (strongly disagreed), D (disagree), and SA (strongly agree) were used. The typical scores (very low) are 4.20–5.00 (very high), 3.4–4.19 (high), 2.60–3.39 (average), 1.80–2.59 (low), and 1.00–1.79 (low). Table 4.3.1 provides a summary of the findings.

**Table 3.3.1 Findings on the effect of contract supervision on health service delivery at Kabale regional referral hospital**

N= 124

Item Variables	SA	A	NS	D	SD	Mean	Std. Deviation
KRRH always sets contracts objectives	32%	41%	1%	20%	6%	3.57	.668
KRRH sets clear contracts objectives	21%	20%	5%	34%	20%	4.00	.962
KRRH's contracting objectives are measurable	36%	27%	-	21%	16%	3.82	.970
KRRH's contracting objectives are achievable/attainable	30%	15%	-	35%	20%	3.74	1.012
KRRH develops its contract strategy in harmony with the organization's overall procurement strategy.	26%	41%	1%	22%	10%	3.19	1.126
KRRH's contract strategy establishes the form of the procurement	28%	42%	-	18%	12%	3.92	.990
KRRH's contract strategy assists in determining the formulation of the contract	23%	30%	-	15%	32%	3.75	.294
KRRH's contract strategy assists in determining the award of the contract	45%	32%	2%	18%	3%	3.46	.784
Clear lines of responsibility and authority in contracting have been established	20%	37%	3%	10%	10%	3.74	1.003
There is sufficient authority delegated along with responsibility during contracting	15%	47%	9%	24%	5%	3.23	.841

Average Mean						3.64	.865
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**Source:** Primary data,2023

The table above (4.3) shows that most (73%) of the respondents were of the view that Kabale Regional Referral Hospital always sets contracts objectives as opposed to 26% who objected and 1% who were not sure about that subject matter. The implication of the above is that Kabale Regional Referral Hospital always sets contracts objectives. Through observation, the researcher was able to confirm the above in the hospital contract reports of financial year 2019/2020.

On the view whether Kabale Regional Referral Hospital sets clear contracts objectives, most (41%) of respondents agreed, although 41% agreed and 5% were not sure respectively. The above shows that Kabale Regional Referral Hospital sets clear contracts objectives.

Most (63%) respondents were of the view that KRRH’s contracting objectives are achievable compared with those that disagreed (37%). The above suggests that KRRH’s contracting objectives are achievable. Interview with the students confirmed the above, “our contracting objectives here are actually achievable. We have achieved some of the objectives set by the hospital though not all of them” as stated by hospital administrator.

The view whether that Kabale Regional Referral Hospital develops its contract strategy in harmony with the organization’s overall procurement strategy was balanced contested with 50-50% response rate. It can be drawn from the above that as half of the respondents concur and about half do not believe so.

The respondents were also asked whether KRRH’s contract strategy establishes the form of the procurement majority (67%) were in agreement but 33% disagreed. The above was supported by an Interview with some head of departments at Kabale Regional Referral Hospital. “*we have a fully established procurement committee that carries out all procurement activities including contract planning*”, was a revelation by District Health Officer.

About whether KRRH’s contract strategy assists in determining the formulation of the contract, nearly half of the respondents (55%) of the respondents agreed much as 41% objected and 4% of them were not sure.

Still on table 4.3.1 above, the results show a high overall mean of (3.64, SD=0.865), indicating that the majority of respondents believed that contact supervision had an effect on health service delivery at Kabale Regional Referral Hospital. For instance, they agreed that the hospital always sets contracts objectives (Mean=3.57, Std. Dev=.668) and its contracts objectives are measureable

(3.82, Std. Dev = .970), which is higher than the average mean. Despite the high overall mean, the results are unappealing because Kabale regional referral hospital's contracting objectives have not been achieved as evidenced by a mean score of (2.34, Std. Dev= 1. 220), more so, respondents agreed that Kabale regional referral hospital develops its contract strategy in harmony with the organization's overall procurement strategy (3.19, Std Dev = 1.126), and the hospital's contract strategy establishes the form that aligns with the procurement (Mean= 3.92, Std. dev= 0.990).

Respondents also agreed that Kabale regional referral hospital's contract strategy assists in determining the award of the contract (Mean = 3.46, Std Dev= .784).

Lastly they (respondents) agreed that there is sufficient authority delegated along with responsibility during contracting (mean=3.23, std dev=.841).

On record were some of the key informants saying:

"...Kabale Regional referral hospital has to a bigger extent achieved its contracting objectives though we can't leave out the issue that people must trek vast distances to reach Kabale Regional Referral Hospital, which is the only regional referral hospital in the Kigezi sub-region."

### **4.3.2 Correlation results on the effect of contract supervision on health service delivery at Kabale regional referral hospital**

The results of the Pearson correlation product moment approach were used to establish the relationship between contract supervision and health service delivery at Kabale regional referral hospital, as shown in Table 4.3.2 below.

**Table 4.3.2: The correlation coefficient results on the effect of contract supervision on health service delivery at Kabale regional referral hospital**

		Contract supervision	Health service delivery
Contract supervision	Pearson Correlation	1	.462**
	Sig. (2-tailed)		.000
	N	124	124
Public health service delivery	Pearson Correlation	.462**	1
	Sig. (2-tailed)	.000	

	N	124	124
**. Correlation is significant at the 0.01 level (2-tailed).			

**Source:** Primary data, 2023

**H0<sub>1</sub>** Stated that there is no significant effect on contract supervision and health services delivery at Kabale regional referral hospital

Since the sig. value of 0.000 is less than the set value = 0.01, the results in Table 4.3.1 show a significant relationship between contract supervision and health services delivery at Kabale regional referral hospital. Contract supervision has a 0.462 favorable association with the provision of health services. This suggests that contract supervision had a good impact on the delivery of public health services. As a result, the null hypothesis, which claims that there is no significant association between contract supervision and the delivery of health services at Kabale Regional Referral Hospital, is rejected.

#### **4.4 To establish the effect of contract planning on health service delivery at Kabale regional referral hospital, Kabale Municipality**

The study's second goal was to determine the effect of contract planning on health service delivery at Kabale regional referral hospital, Kabale Municipality. This report summarizes the results of the above-mentioned objective. The magnitude of the mean score indicates the extent to which contract planning at KRRH correlates to health service delivery, as indicated by that measurement indicator. SD=strongly disagreed=disagree=not sure, A=agree, and SA=strongly agree were utilized on a 5-Likert scale ranging from 1 to 5, with 1 representing strongly disagree and 5 representing strongly agree. The results are summarized in Table 4.4.

**Table 4.4.1: Descriptive statistics on contract planning and health service delivery at Kabale regional referral hospital**

N= 124

Item variables	SA	A	NS	D	SD	Mean	Std. Dev
There is an environment shaped by trust in KRRH's contracts	15%	11%	3%	37%	34%	2.81	1.245

There is an environment shaped by flexibility in KRRH's contracts	12	53%	-	30%	5%	3.45	1.055
There is an environment shaped by commitment in KRRH's contracts	18%	40%	2%	32%	8%	3.26	.995
KRRH and service providers develop a better understanding of the nature of the contract that they have entered into	37%	26%	-	30%	7%	3.52	1.119
There is collaborative exchanges in contracts to realize the strategic goals for both KRRH and service providers	34%	44%	7%	15%	-	3.48	1.095
There is relational exchanges in contracts to realize the strategic goals for both KRRH and service providers	7%	35%	2%	34%	22%	3.53	1.200
Efforts are undertaken to minimize rigidity in KRRH's contracts	10%	24%	4%	28%	34%	3.39	1.114
Efforts are undertaken to minimize bureaucracy in KRRH's contracts	14%	22%	-	52%	12%	2.46	1.063
The administration of KRRH's contracts is satisfactory	46%	32%	4%	6%	12%	4.77	.923
Contract plans in this organization are done following right procedures	-	9%	5%	56%	30%	2.49	1.096
KRRH pays for its contracts staff very well	3%	17%	1%	60%	19%	2.24	.734
KRRH motivates its contracts staff	2%	8%	-	46%	44%	2.63	.451
Average Mean						3.45	.916

**Source:** Primary data, 2023

Table 4.4.1 presents findings that support the claim of an average overall mean of (3.45, SD= 0.916) indicating a relationship between contract planning and health service delivery in Kabale Municipality. The table reveals respondents' opinions on various aspects related to the contracts in the Kabale Regional Referral Hospital (KRRH).

The majority of respondents (71%) disagreed that there is an environment of trust in KRRH contracts, while only 26% agreed. This suggests that KRRH may not provide a trustworthy



environment for contract awarding. This view was also shared by some contractors and contract stakeholders who stated that they often place bids for contracts but are never successful.

In terms of flexibility in KRRH contracts, 65% of respondents believed that there is an environment shaped by flexibility, while 35% disagreed. Regarding commitment in KRRH contracts, 58% of respondents agreed that there is an environment shaped by commitment, compared to 40% who disagreed, with the remaining 2% unsure.

Additionally, 63% of respondents objected that KRRH and service providers do not have a good understanding of the nature of the contract they have entered into, while 37% disagreed. However, the majority (78%) of respondents agreed that there are collaborative exchanges in contracts to realize strategic goals for both KRRH and service providers.

Regarding relational exchanges in contracts, 58% of respondents disagreed that such exchanges are present to realize strategic goals for both KRRH and service providers, while 42% agreed.

Most respondents (79%) disagreed that KRRH pays its contract staff very well.

On whether there is relational exchanges in contracts to realize the strategic goals for both KRRH and service providers, most (58%) of the respondents disagreed although (42%) were of the view.

Kabale regional referral hospital pays for its contracts staff very well was a statement that majority of the respondents disagreed with (79%) as compared to 20% who agreed and only 1% that was un decided.

Lastly, whether KRRH motivates it staff was a question which the majority (90%) of the respondents disagreed with as compared to (10%) that agreed with the statement.

#### **4.4.2 Correlation results on the relationship between contract planning and health service delivery at Kabale regional referral hospital**

To examine the association between the two aforementioned variables above, a Pearson correlation analysis was utilized, and the results are provided in Table 4.4 below.

**Table 4.4.2: The correlation coefficient results on contract planning and health service delivery**

		Contract planning	Health service delivery
Contract planning	Pearson Correlation	1	.428**
	Sig. (2-tailed)		.000
	N	124	124
Health service delivery	Pearson Correlation	.428**	1
	Sig. (2-tailed)	.000	
	N	124	124
**. Correlation is significant at the 0.01 level (2-tailed).			

**Source:** Primary data, 2023

According to H<sub>0</sub>, there no relationship between contract planning and health service delivery at Kabale regional referral hospital.

Table 4.4.2 shows that there is a relationship between contract planning and health service delivery at Kabale regional referral hospital with a favorable significant association. The correlation results of 0.428\*\* at the significance criterion of 0.05 was exceeded by a P-value of 0.000, thus supported this conclusion.

This means that contract planning and health service delivery work hand in hand Kabale regional referral hospital, with improved contract planning leading to a small improvement in health service delivery.

Therefore, hypothesis two which stated that there is no significant relationship between contract planning and health services delivery at Kabale regional referral hospital is rejected.

## 4.5 To investigate the effect of Contracts Risk Management on Health Service Delivery

Objective three of the study sought to investigate the effect of contract planning on health service delivery at Kabale regional referral hospital.

As represented by the measurement indicator, the magnitude of the mean score indicates the extent to which contract risk management affects health service delivery Kabale regional referral hospital. SD=Strongly Disagree (1), D=Disagree (2), NS=Not Sure (3), A=Agree (4), and SA=Strongly Agree (5) were utilized on a 5-Likert scale ranging from 1 to 5, with 1 representing strongly disagree and 5 representing strongly agree (5). Table 5 below summarizes the findings.

**Table 4.5.1: The effect of Contracts Risk Management and Health Service Delivery**

*N=124*

Item Variables	SA	A	N	D	SD	Mean	Std. Dev
There is a contracts Risk Identification At KRRH which enables smooth delivery of health services	32%	41%	1%	20%	6%	3.83	1.018
KRRH carries out contract risk analysis	21%	20%	5%	34%	20%	3.89	.718
There is a contract risk response planning at KRRH	36%	27%	-	21%	16%	3.69	.815
Contract risk mitigation is in place at KRRH	30%	15%	-	35%	20%	3.75	.970
KRRH has contract risk monitoring in place	26%	41%	1%	22%	10%	3.99	.753
KRRH handles its stakeholders' conflicts in contracting satisfactory	28%	42%	-	18%	12%	3.93	.897
KRRH handles its stakeholders' interests in contracting satisfactory	23%	30%	-	15%	32%	3.98	.890
KRRH takes into consideration prices rises in its contracts	45%	32%	2%	18%	3%	3.73	1.022
KRRH's has clauses in its contracts to protect it from price unpredictability	20%	37%	3%	20%	20%	3.88	.779

KRRH contracts products/services that more price predictable	15%	47%	9%	24%	5%	3.84	.941
Average mean						3.85	.880

**Source:** Primary data, 2023

Table 4.5.1 shows the findings on the effect of contract risk management on health service delivery at Kabale regional referral hospital. Ten statements were given to 124 respondents, and the results revealed a high average mean score of (3.85, SD=0.880) according to respondents' viewpoints.

For instance, the table above shows that most (73%) of the respondents were of the view that there is a contracts risk identification at Kabale Regional referral hospital which enables smooth delivery of health services as opposed to 26% who objected and 1% who were not sure about that subject matter. The implication of the above is that KRRH has contracts risk identification strategy. Through observation, the researcher was able to confirm the above through an interview with some hospital administrators who were on record saying:

“We are always mindful of creating a list of potential risks before classifying the actual risks the hospital faces. Because it lessens the possibility that potential sources of risk will be overlooked, it is crucial to systematically identify all potential risks. It's crucial to consider both current and potential future risks when identifying potential threats to Kabale Regional Referral Hospital. The risk landscape alters along with technological advancements and organizational restructuring.”

On the view whether KRRH carries out contract risk analysis, most (41%) of respondents agreed, although 54% disagreed and 5% were not sure respectively. The above shows that, on average, the hospital carries out contract risk analysis which impacts health service delivery.

Most (63%) respondents were of the view that there is a contract risk response planning at Kabale regional referral hospital compared with those that disagreed (37%). The above suggests that there is contract risk response planning at the hospital. Interview with the hospital heads confirmed the above, “We have a contract risk response planning here.

The view whether contract risk mitigation is in place at Kabale regional referral hospital was balanced contested with 50-50% response rate. It can be drawn from the above that as half of the respondents believe that contract risk mitigation is in place, about half do not believe so.

The respondents were also asked whether KRRH contract risk monitoring is in place, majority (67%) were in agreement but 33% disagreed. The above suggests that Kabale Regional Referral Hospital has a contract risk monitoring system in place. Interview with hospital administrator confirmed the above. *“we have a fully established procurement committee which puts in place contract risk monitoring strategies in case of any contract activity”*, was a revelation by D.H.O Kabale district.

About whether KRRH handles its stakeholder’s conflicts in contracting satisfactory, majority of the respondents (70%) of the respondents agreed much as 30% objected.

Most (77%) of the respondents agreed with the view that KRRH takes into consideration price rises in its contracts compared with 21% who disagreed and 2% who were not sure. The implication of the above is that Kabale Regional Referral Hospital takes into consideration price rises to a large extent.

On whether Kabale regional referral hospital has clauses in its contracts to protect it from price unpredictably, majority (57%) of the respondents agreed, 40% disagreed and lastly, 3% were not sure with the statement.

Regarding the question whether Kabale regional referral hospital contracts products that are more price predictable, 62% of the respondents agreed with the statement, 29% of the respondents disagreed with the statement, and lastly, 9% of the respondents were not sure with the statement.

The average supporting mean for the above statements is 3.85 and standard deviation is 0.880 which implies that respondents agreed and were consistent with the questions regarding effect of contracts risk management and health service delivery at Kabale Regional Referral Hospital.

**Table 4.5.2: The correlation coefficient results on Contract Risk Management and Health Service Delivery**

		Contract risk Management	Health Service delivery
Contract Risk Management	Pearson Correlation	1	.793**
	Sig. (2-tailed)		.000
	N	124	124
Health Service Delivery	Pearson Correlation	.793**	1

	Sig. (2-tailed)	.000	
	N	124	124
**. Correlation is significant at the 0.01 level (2-tailed).			

**Source:** Primary data, 2023

Hypothesis three stated that there is no significant relationship between contract risk management and health service delivery at Kabale regional referral hospital in Kabale Municipality.

According to the correlation data in Table 4.5.2, contract risk management and health service delivery at Kabale regional referral hospital in Kabale Municipality have a favorable significant link. The correlation coefficient of 0.793\*\* at a P-value of 0.000 (below the significance level of 0.05) justified this.

This means that contract risk management and health service delivery are linked, and that improving contract risk management leads to significant improvements in health service delivery at Kabale regional referral hospital, Kabale Municipality.

As a result, null hypothesis three, that there is no significant link between contract risk management and health service delivery in Kabale Municipality, is rejected by the research.

**Table 4.5.3 Showing Descriptive Statistics on health service delivery at Kabale Regional Referral Hospital**

N=124

Statements	SD	D	N	A	SA	M	Std. Dev
Services are usually delivered on time	12%	20%	3%	30%	35%	4.40	.818
KRRH's service delivery is efficient	(20%)	11%	05%	24%	40%	3.53	1.556
KRRH's service delivery is effective	15%	20%	-	40%	25%	4.01	.965

Services are delivered to the right places	10%	15%	03%	30%	42%	3.91	1.320
There is value for money in KRRH's service delivery	35%	20%	-	17%	28%	4.39	.827
KRRH's services are easily accessed	20%	14%	10%	25%	31%	3.50	1.478
KRRH service coverage is satisfactory	38%	23%	-	12%	27%	4.25	.944
KRRH delivers quality services	50%	33%	-	07%	10%	4.06	1.056
KRRH offers relevant service to the community	44%	39%	2%	09%	06%	3.41	.783

Source: Primary data, 2023

From the table above, when respondents were asked about whether services are usually delivered on time, majority (65%) agreed with the statement, this was followed by 32% of the respondents who disagreed with the statement, then lastly followed by 3% who were not sure with the statement. This was supported by mean and standard deviation of 4.40 and 0.818 respectively.

On the respondents' views on whether Kabale Regional Referral Hospital's service delivery is efficient, Majority (64%) of them agreed with the statement, this was followed by 31% who stated that they disagree with the statement and lastly 5% of the respondents were not sure. This was also represented by mean of 3.53 and standard deviation of 1.556

When asked whether Kabale regional referral hospital is effective; a biggest percentage 65% agreed with the statement, whereas 35% of the respondents disagreed. This was supported by mean of 4.01 and standard deviation of 0.965

On the question of whether services are delivered to the right places, respondents had this to say; majority (72%) of them strongly agreed with the statement, 25% of them disagreed with the statement while 3% were not sure with the statement. The supporting Mean was 3.91 and standard deviation was 1.320.

When respondents were asked whether there is value for money in Kabale Regional Referral Hospital service delivery, they had this to say; majority (55%) disagreed with the statement, 45% agreed. Mean is 4.39 and standard deviation is .827

Respondents' views on whether Kabale regional referral hospital services are easily accessed, majority 56% of them strongly agreed with the statement, while 34% of respondents disagreed

with the statement. 10% of the respondents were not sure with the statement. The supporting mean was 3.50 and standard deviation 1.478.

On whether Kabale regional referral hospital service coverage is satisfactory, majority (61%) disagreed with the statement, and 39% agreed with the statement. The supporting mean is 4.25 and standard deviation .944

On the delivery of quality services at Kabale Regional referral hospital, respondents had this to say; majority 83% disagreed with the statement, 17% agreed with the statement.

The last statement regarding this subject matter was about whether Kabale regional referral hospital offers relevant health services to the community, a biggest percentage (83%) disagreed with the statement, 15% percent of the respondents agreed and lastly 2% of the respondents were not sure with the statement. The supporting mean is 3.41 and standard deviation is 0.783.

#### 4.6 Regression Analysis

In order to derive the co-efficient of determination and to also appreciate the predictive power of the contracts management and health service delivery in Uganda, at Kabale regional referral hospital, a Multiple Linear Regression Analysis (MLRA) was adopted. The findings are presented below.

**Table 4.6.1: Regression Analysis results for the effect of contracts management on health service delivery in Uganda, at Kabale regional referral hospital**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.891 <sup>a</sup>	.793	.786	.54258		
ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	102.723	3	34.241	116.310	.000 <sup>b</sup>
	Residual	26.790	91	.294		



Total	129.512	94			
	Unstandardized Coefficients		Standardized Coefficients		
Model	B	Std. Error	Beta	t	Sig.
(Constant)	.562	.215		2.608	.001
Contract Supervision	.134	.065	.129	2.066	.002
Contract planning	.650	.081	.506	7.983	.000
Contract risk management	.416	.072	.384	5.792	.000

a. Dependent Variable: Performance

Table 4.6.1 shows the results of the regression analysis between Contract management (independent variable) and Health service delivery (dependent variable). The results show that the predictors of the independent variable- Contract Management (Contract supervision, Contract planning, and Contract risk management) positively predict the variation in the changes of the dependent variable – Health service delivery. Results in Table 4.8 reveal that the Health service delivery at Kabale regional referral hospital can be predicted by 78.6% (adjusted R square = .786) by proper implementation and observing contracts management process.

Basing on F-value = 116.30 with statistical P-Value = .000 which is typically ( $P < .05$ ) signifies that the model using the predictors did a good job of predicting the outcome variable and that there is a significant relationship between the set of predictors (Contract supervision, Contract planning, and Contract risk management) and the dependent variable (Health service delivery), therefore, there is a relationship between Contract Management and Health service delivery.

More so, result show that all the predictors were significant ( $p < .05$ ) and as such the model was the best fit. The study established that Contract Planning was the most desirable predictor of Contract Management ( $\beta = .506$ ), followed by Contract Risk Management ( $\beta = .384$ ), and Contract Planning

was the least noted with the  $\beta=.129$ . Overall the Contract Management positively related with health service delivery at Kabale regional Referral Hospital, Uganda.

## **CHAPTER FIVE**

### **SUMMARY, DISCUSSION, CONCLUSION AND RECOMMENDATIONS**

#### **5.0 Introduction**

This chapter presents discussion and summary of study findings as presented in chapter four, conclusions and recommendations plus areas for further research.

#### **5.1 Summary of findings**

##### **5.1.1 Effect of contract supervision on health service delivery at Kabale regional referral hospital**

With a correlation coefficient of 0.462\*\* and a P-value of 0.000, which was less than the 0.01 level of significance, the study discovered a significant positive link between contract oversight and the provision of health services. This indicates that the implementation of contract supervision measures at Kabale Regional Referral Hospital results in a minor enhancement of the provision of healthcare services.

##### **5.1.2 Effect of contract planning on health service delivery at Kabale regional referral hospital**

With a correlation coefficient of 0.428\*\* and a P-value of 0.000, which was below the 0.05 level of significance, the study discovered a significant positive association between contract planning and the provision of health services. This indicates that at Kabale Regional Referral Hospital, contract planning and the provision of healthcare services are interdependent, and that enhancing contract planning has a slight positive impact on healthcare delivery. Contract planning and the provision of health services in Kabale Municipality have a positive, statistically significant relationship, according to the correlation data in table 4.5.1. This was supported by the correlation coefficient, which was 0.793\*\* at a P-value of 0.001 (below the significance level of 0.05).

This suggests that contract planning and the provision of healthcare services are interdependent, and that an improvement in contract planning results in a significant improvement in the provision of healthcare services at Kabale Regional Referral Hospital.

### **5.1.3 Effect of contract risk management on health service delivery at Kabale Regional Referral Hospital**

With a correlation coefficient of 0.793\*\* and a P-value of 0.000 (below the 0.05 level of significance), the study's findings show a strong positive relationship between contract risk management and health service delivery, indicating that adding contract risk management mechanisms improves health service delivery at Kabale regional referral hospital.

## **5.2 Discussion of the research findings**

### **5.2.1 Effect of contract supervision on health service delivery at Kabale Regional Referral Hospital**

The majority of respondents agreed that Kabale Regional Referral Hospital always sets contract objectives, contracting objectives are measurable, and it has contract strategy that establishes the form of the procurement, all with the aim of improving health service delivery. The findings on this objective showed a high overall mean of (3.64, SD= 0.865).

These findings are in line with those of Yawe and Kavuma (2008), who discovered that the Government of Uganda has taken a number of measures to ensure that communities are empowered to take responsibility for their own health and well-being through proper contract supervision and to actively participate in the management of their local health services for the improvement of overall health service, including developing guidelines for community capacity building for effective participation in management of local health services.

The majority of respondents claimed that Kabale Regional Referral Hospital did not completely perform its procurement contract tasks under the supervision of the central hiring agency. According to Omolo (2011), contract supervision is intended to lessen the negative effects of excessive centralization. He also contends that contracting, in which the central government transfers service delivery duties to partially autonomous government agencies or non-state organizations that are fully reliant on the procurement and disposal unit to which they are assigned, will enhance the provision of public services.

### **5.2.2 Effect of contract planning on health service delivery at Kabale Regional Referral hospital**

The Kabale Regional Referral Hospital has autonomy in managing contract plans with the aim of enhancing health service delivery, as shown by the average overall mean in Table 4.4, which was (3.42, SD= 0.916). This result is in line with Choi's (2012) theory, which the majority of respondents accepted, according to which contract planning happens when the authority of the procurement contracts committee is delegated to lower-ranking offices in order to improve stakeholder welfare and provide suitable public services.

The data in Table 4.4 further showed that there is inadequate contract planning for hospital activities in Kabale Regional Referral Hospital and that the health budget is never adequate to meet public health demands. ACODE (2010) found that limited funding for healthcare services and little transparency in the usage of medications and treatments were all factors that were used to cover contract plans. This was especially true at lower-tier healthcare institutions. Many local governments do not have the managerial, administrative, fiscal, and institutional contract strategies necessary to meet the expanding demands of their constituents, claim Parasuraman, Zeithaml, and Berry (2014). The issue is being made worse by the deterioration of the connection between local government and the tertiary sector. The provision of health services is harmed as a result of these Local Governments' inability to meet their performance obligations.

### **5.2.3 Relationship between contract risk management and health service delivery**

According to the opinions of the respondents, a high average Mean of (3.85, Standard Deviation=0.880) was reported when establishing a relationship between contract risk management and health service delivery at Kabale Regional Referral Hospital. Many risks and difficulties are encountered by contracting organizations during the contracting process, according to the majority of respondents, which puts service delivery at risk.

The complexity of the contracting process may lead to these risks and difficulties, such as highly technical procedures, product specifications that frequently choose the provider, and techniques for calculating the quantity of goods or services needed based on arbitrary assumptions and estimates (McPake & Ngalande, 2014). Other intervening parties, such suppliers, institutions, administrators, and regulators, who regularly put themselves in circumstances of conflict of interest, could also provide risks and difficulties. To reduce these risks and deliver better services, it is crucial for firms to carry out process and supplier assessments. Contract risk can take many

different forms (supplier dependence, pricing volatility, supply chain interruption, etc.), and most firms often deal with these realities, which compromise service delivery. This investigation's goal is to examine how Kabale Regional Referral Hospital's contract risk management impacts the provision of healthcare services.

### **5.3 Conclusion of the study**

Conclusions are presented in accordance to the study objectives.

#### **5.3.1 Contract supervision and health service delivery**

Based on the findings of the study's first objective, it was concluded that there is a positive significant relationship between contract supervision and the delivery of healthcare services at Kabale Regional Referral Hospital in Kabale Municipality, rejecting null hypothesis one, which held that there is no significant relationship between contract supervision and the delivery of healthcare services in Kabale Municipality.

#### **5.3.2 Fiscal decentralization and health service delivery**

The null hypothesis two, that there is no significant relationship between contract planning and health service delivery in at Kabale Regional Referral Hospital, Kabale Municipality, was rejected in light of the findings of study objective two, which showed a positive significant relationship between contract planning and the provision of health services in Kabale Municipality.

#### **5.3.3 Contract Risk Management and health service delivery**

The third null hypothesis, which claimed that there is no significant relationship between contract risk management and service delivery at Kabale regional referral hospital in Kabale Municipality, was rejected in light of the study's findings, which showed a positive significant relationship between contract risk management and health service delivery in Kabale Municipality.

### **5.4 Recommendations**

Basing on the findings of the study, the following recommendations are made in line with study objectives.

#### **5.4.1 Contract supervision and health service delivery**

The Ministry of health should fully administratively decentralize contract supervision activities to trusted administrators as a matter of policy, not only to reduce the rising cost of public administration but also to close the gaps or overlap between the hospitals and the LGs. For

efficiency, the contracts committees of local governments should thoroughly monitor and oversee contracts. (ACODE 2010)

An independent contracts committee should be established by the Ministry of Health and policymakers to ensure adequate remuneration and uniform terms and conditions of contracts service, including the implementation of motivational schemes at all levels of government.

#### **5.4.2 Contracts planning and health service delivery**

The results of the second aim demonstrated a considerable favorable link between contracts planning and health service delivery.

As a result, this study recommends that continued emphasis on contracts risk management be placed on given a priority if health service delivery at Kabale Regional Referral Hospital is to be enhanced.(PPDA Act 2010)

The Kabale Regional Referral Hospital will be able to stock medications, assist medical personnel, and conduct other operations ancillary to the provision of healthcare services by pushing for better contracts risk management.

#### **5.4.3 Contracts planning and health service delivery**

The outcomes of aim three showed that political decentralization and the provision of public health care were well and significantly correlated.

This study recommends that political decentralization continue to be a priority in order to enhance the provision of health services by embracing citizen contracts participation in decision-making, protecting public hearings and consultation systems, and involving citizens in the planning and preparation processes. (LG Act 2015)

### **5.5 Areas for further research**

The outcomes of aim three showed that political decentralization and the provision of public health care were well and significantly correlated. This study primarily examined the relationship between contracts supervision, contracts planning, and contracts risk management as they pertain to the provision of healthcare services. The relationship between contract management and the effectiveness of Uganda's public bodies may be examined in a future study.

To generalize the findings, a similar study may be conducted in other towns throughout the nation, particularly in Eastern and Northern Uganda.

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## Appendices

### Appendix 1: Questionnaire for Users and Service Providers

Dear Respondent,

Please kindly spare some few minutes to respond to the following questions. Information received from you is for academic purposes and will be kept confidential. You will not be victimized for whatever answer you have given and to ensure this, you are not required to identify yourself anywhere on the questionnaire.

#### Section A: Respondents' Demographics

1. Gender: Male  Female  (Please tick)
2. Education level Primary  O-Level  A-Level  Tertiary
3. Years you been working with the organization

(Less than 1 year) (1 -3 years)(4 -6 years) (7 -9 years) (Above 10 years)

4. Age (18-35) (36 -49) (50 -69) (Above 70)

#### Section B: CONTRACTS PLANNING AND HEALTH SERVICE DELIVERY

How strongly do you agree or disagree with the following statements about contracts planning by Kabale Regional Referral Hospital (KRRH)? Tick or circle the most appropriate response using the following scale. Please do not omit any feature.

SD = Strongly Disagree      D = Disagree      NS = Not sure      A = Agree

SA = Strongly agree

	Statements	SD	D	NS	A	SA
1	KRRH always sets contracts objectives	1	2	3	4	5
2	KRRH sets clear contracts objectives	1	2	3	4	5

3	KRRH's contracting objectives are measurable	1	2	3	4	5
4	KRRH's contracting objectives are achievable/attainable	1	2	3	4	5
5	KRRH develops its contract strategy in harmony with the organization's overall procurement strategy.	1	2	3	4	5
6	KRRH's contract strategy establishes the form of the procurement	1	2	3	4	5
7	KRRH's contract strategy assists in determining the formulation of the contract	1	2	3	4	5
8	KRRH's contract strategy assists in determining the award of the contract	1	2	3	4	5
9	Clear lines of responsibility and authority in contracting have been established	1	2	3	4	5
10	There is sufficient authority delegated along with responsibility during contracting	1	2	3	4	5
11	Contracting tasks are clearly spelt out	1	2	3	4	5
12	Contracting schedules are clearly spelt out	1	2	3	4	5

Section C: CONTRACTS SUPERVISION AND HEALTH SERVICE DELIVERY

How strongly do you agree or disagree with the following statements about contracts administration by KRRH? Tick or circle the most appropriate response using the following scale. Please do not omit any feature.

SD = Strongly Disagree      D = Disagree    NS = Not sure    A = Agree    SA = Strongly agree

	Statements	SD	D	NS	A	SA
1	There is an environment shaped by trust in KRRH's contracts	1	2	3	4	5

2	There is an environment shaped by flexibility in KRRH's contracts	1	2	3	4	5
3	There is an environment shaped by commitment in KRRH's contracts	1	2	3	4	5
4	KRRH and service providers develop a better understanding of the nature of the contract that they have entered into	1	2	3	4	5
5	There is collaborative exchanges in contracts to realize the strategic goals for both KRRH and service providers	1	2	3	4	5
6	There is relational exchanges in contracts to realize the strategic goals for both KRRH and service providers	1	2	3	4	5
7	Efforts are undertaken to minimize rigidity in KRRH's contracts	1	2	3	4	5
8	Efforts are undertaken to minimize bureaucracy in KRRH's contracts	1	2	3	4	5
9	The administration of KRRH's contracts is satisfactory	1	2	3	4	5
10	KRRH pays for its contracts staff very well	1	2	3	4	5
11	KRRH motivates its contracts staff	1	2	3	4	5

**SECTION D: CONTRACTS RISK MANAGEMENT AND HEALTH SERVICE DELIVERY**

How strongly do you agree or disagree with the following statements about contracts risk management by KRRH? Tick or circle the most appropriate response using the following scale. Please do not omit any feature.

SD = Strongly Disagree      D = Disagree    NS = Not sure    A = Agree    SA = Strongly agree

	Statements	SD	D	NS	A	SA
1	There is a contracts Risk Identification At KRRH which enables smooth delivery of health services	1	2	3	4	5
2	KRRH carries out contract risk analysis	1	2	3	4	5

3	There is a contract risk response planning at KRRH	1	2	3	4	5
4	Contract risk mitigation is in place at KRRH	1	2	3	4	5
5	KRRH has contract risk monitoring in place	1	2	3	4	5
6	KRRH handles its stakeholders' conflicts in contracting satisfactory	1	2	3	4	5
7	KRRH takes into consideration prices rises in its contracts	1	2	3	4	5
8	KRRH's has clauses in its contracts to protect it from price unpredictability	1	2	3	4	5
9	KRRH contracts products/services that more price predictable	1	2	3	4	5
10	KRRH consults its suppliers to make informed contract decisions	1	2	3	4	5

## SECTION E: HEALTH SERVICE DELIVERY

How strongly do you agree or disagree with the following statements about health service delivery by KRRH? Tick or circle the most appropriate response using the following scale. Please do not omit any feature.

SD = Strongly Disagree      D = Disagree    NS = Not Sure      A = Agree

SA = Strongly agree

	Statements	SD	D	NS	A	SA
1	Services are usually delivered on time	1	2	3	4	5
2	KRRH's service delivery is efficient	1	2	3	4	5
3	KRRH's service delivery is effective	1	2	3	4	5
4	Services are delivered to the right places	1	2	3	4	5
5	There is value for money in KRRH's service delivery	1	2	3	4	5
6	KRRH's services are easily accessed	1	2	3	4	5
7	KRRH service coverage is satisfactory	1	2	3	4	5
8	KRRH delivers quality services	1	2	3	4	5
9	KRRH offers relevant service to the community	1	2	3	4	5
10	KRRH offers reliable service to the community	1	2	3	4	5

Thank you for your cooperation

## **Appendix 2: Interview guide for key informants**

Dear Respondent,

Please kindly spare some few minutes to respond to the following questions. Information received from you is for academic purposes and will be kept confidential. You will not be victimized for whatever answer you have given and to ensure this, you are not required to identify yourself anywhere on the questionnaire.

1. Is there contract planning at KRRH? If no, why? If yes, what is involved in KRRH's contract planning?
2. Are you satisfied with KRRH's contract planning? If no, why? If yes, why?
3. What is your opinion on KRRH's service delivery in terms of it being efficient, effective and reliable?
4. How has KRRH's contract planning affected contract planning?
5. Is there contract administration at KRRH? If no, why? If yes, what is involved in KRRH's contract administration?
6. Are you satisfied with KRRH's contract administration? If no, why? If yes, why?
7. How has KRRH's contract administration affected contract administration?
8. Is there contract risk management at KRRH? If no, why? If yes, what is involved in KRRH's contract risk management?
9. Are you satisfied with KRRH's contract risk management? If no, why? If yes, why?
10. How has KRRH's contract risk management affected contract risk management?

Thank you for your cooperation

## **Appendix 3: Observation Checklist**

1. Existence of admission wards and beds for admitted patients
2. Are the Hospital's structures in good conditions to the minimum standards of a health facility?
3. Waiting line
4. Drugs stock in store
5. Existence of an ambulance
6. Presence of health workers
7. Existence of basic medical equipment

8. Status of the theatre
9. Existence of contract documents
10. Reports

#### **Appendix 4: Table for Determining Sample Size from a Given Population**

N	S	N	S	N	S
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380



190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	1000000	384

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Note. — Nispopulationsize.

Sissamplesize.