ISSN No:-2456-2165 https://doi.org/10.38124/ijisrt/IJISRT24AUG264

Human Resource Planning and Budgeting Process in Government Health Institutions in Kenya: A Case Study of Magutini Level Four Hospital

[1*]Nancy Kathure Mbaka
[1]MML Student: Management University of Africa
P. O. Box. 29677-00100, Nairobi, Kenya

[2]*Laura Nyaloti
[2] Management University of Africa
P. O. Box. 29677-00100, Nairobi, Kenya

Abstract:- Human resource planning is a crucial component of HRM that many businesses use to make sure the best employees are hired for the proper positions with the correct skills and knowledge. In terms of efficiency, service delivery, and product quality, this is particularly true. Budget discrepancies persistently persist during the implementation. Planning for human resources typically reflects the effectiveness of a certain institution's performance, which depends on it. To determine the human resource planning and budgeting processes in government health institutions in Kenya, Magutini Level Four Hospital was study focus. The study examined, employee retention, and staff training, The study's major anchor theory was goal-setting theory, which is backed by institutional and human capital theory. The study's foundation was a positivist research paradigm that used a study design that was descriptive. The researcher intended to reach 750 respondents; however, secondary data was employed in the literature study, and 260 respondents were chosen as the sample size by the use of stratified random sampling and administered questionnaires. Findings were examined using descriptive statistics (standard deviation, percentages, and frequencies), and the data were shown using tables. To show how the study variables related to one another, inferential statistics were used. The Pearson correlation can assist in determining the direction and strength of the relationship between the variables. Regression analysis showed a substantial correlation and a link between training, development, and performance. Employee retention and the budgeting process were significantly correlated and linked. The research study makes the following suggestions for enhancements to the management and board of directors of the Magutini Level 4 Hospital: The administration of Magutini Level 4 Hospital has to invest in its people. Training and development expenditures are crucial for building human capital, and top management must support this by providing the required funds. HRM initiatives are important in this, but they won't be able to flourish if top management of the company doesn't actively support them. The study's conclusions suggest that the company's executives should provide adequate funding for HRD and the budgeting procedure. Periodic cost estimates are required for every job in the plan in order to make sure that funds are used as efficiently as feasible.

Keywords:- *HRD, Budgeting Process, Employee Retention, and Staff Training.*

I. INTRODUCTION

A well-thought-out Human Resource Plan (HRP) ensures that the budgeting teams receive the necessary support to ensure that the budgeting programs and initiatives run smoothly without any hindrance or obstacle (Bhattacharya & Bhattacharya, 2023). Budgeting entails methodical collection of information and data to project the amount of money required to support an organization's objectives. Most companies have some form of budgeting mechanism in place (Kamau, Rotich, & Anyango, 2017). The HRP function organization should have conducted some type of strategic planning prior to the budgeting process to define yearly goals and objectives for the budgeting team. This allowed the budgeting staff to focus their efforts on assisting with the budgeting process.

Without proper budget planning, which is something that is arguably nearly impossible to attain, HRP is expected to maximize the budget planning process (Halim, 2014). Zarianah (2015) said that ineffective budget planning frequently results in implementation challenges, necessitating revisions or perhaps abandoning the effort altogether. HRP is a vital component of budget management, in addition to planning. According to Zarinah and Abdullah (2016), HRP is the establishment of formal mechanisms inside an organization to make it possible to use human potential effectively and efficiently to achieve corporate goals. HRP is the primary component of all activities, and competency in the form of motivation and experience makes HRP a crucial component of budget planning and administration (Zarianah, 2015). Because weak human resources make budget management awful and cause delays in budget realization, HR competency is essential for effective budget management (Halim, 2014).

Planning for healthcare human resources necessitates carefully analysing supply and demand/need factors in addition to considering the context of a specific healthcare system. Future requirements can be projected with the help of behavioural trend analysis, both historical and present. This section outlines several studies that provide human resource projections for the health budgeting process (Meher & Mishra, 2022). Maddox-Daines (2023) conducted an

ISSN No:-2456-2165 https://doi.org/10.38124/ijisrt/IJISRT24AUG264

investigation into the ways in which human resources professionals in the United States budgeted for and provided support for employee wellbeing amidst the COVID-19 pandemic. It takes into account how well-prepared HR specialists were for the crisis and how eager they were to promote the welfare of their employees. This study shows that during the epidemic, business continuity plans that prioritized data over people were inadequate. The tension that arises between burnout and working from home is highlighted by the increase in online presenteeism that results from employees' modifying their behaviour in reaction to self-observation. The study highlights the significance of soft skills, genuine leadership, and issues related to equity (Maddox-Daines, 2023)

A. Budgeting Process

Organizing, facilitating communication, balancing, allocating resources, controlling earnings and operations, evaluating output, and providing rewards are some of the fundamental goals of budget preparation. A firm set aside a sum of money called a budget to manage its HR operations over a fiscal year. This involves activities like recruiting, paying employee wages and benefits, and providing training. Businesses will look backwards at last year's spending to establish a budget. This aids in creating a prediction of the costs it should anticipate in the future (Otundo, 2017). The budget once served as a tool for control, but today it also has a variety of additional objectives that change based on the institutions. Rather than having a predetermined financial plan or guide, "budgeting" describes the activities involved in producing a budget or anticipating and evaluating future financial demands. Budgeting is defined by Becker, Mahlendorf, Schäffer, and Thaten (2016) as a set of activities that includes planning, communicating, and controlling. Budgeting is viewed in this context as aiding the numerous management control functions (Batt, Rikhardsson, & Karlsson, 2021).

Budgeting includes the creation of programmed goals, taking into account the tangible performance cascade, and assessing performance by the programmed goals. Systems for managing the budget have long been recognized as a key tool in financial planning. According to Bose (2012), budgetary control aims to anticipate income and costs. This is accomplished by creating a model that predicts the performance of the company under various scenarios. Most companies employ budget control as their main corporate internal control because it provides a complete administrative framework for effective and efficient resource allocation (Bose, 2012). The budgeting process is the study-dependent variable and it was examined by evaluating how human resource planning uses recruitment, retention, benefits, and training to achieve organizational goal.

B. Employee Retention

According to Armstrong and Taylor (2020), by fostering a great work environment that promotes engagement, demonstrating respect for employees, and providing them By offering competitive pay and benefits and promoting a positive work-life balance, a company may retain talented employees and lower attrition. Employers are particularly interested in retaining their employees when unemployment is low and there is greater competition for talent (Yao, Qiu, & Wei, 2019). The number of employees who are motivated to work for the organization for a long time is measured by employee retention. Employers are putting more and more emphasis on hiring the top candidates. and ensuring their continued employment with the business. To decrease turnover and foster more dedication and loyalty, it is important to keep a productive employee on board. The competitiveness and performance of the company have been considerably impacted by employee retention (Noe & Kodwani, 2018).

Employee welfare laws, professional development opportunities, and other considerations have all been linked to the concept of employee retention. Recruitment and selection, professional progression, effective communication, among others, and organizational culture have all been discussed in relation to employee retention techniques (Maliku, 2016). The cost of replacement is caused by new employee recruiting and selection techniques, along with other costs such as new pay policies, training and development programs, and the loss of exceptional people. Employee retention helps the business cut this cost. Systems for rewarding staff are crucial to keeping them on board. The majority of employees are either internally or extrinsically driven. Salary, promotion, and work environment were chosen as the three main variables to focus on (Papa, Dezi, Gregori, Mueller, & Miglietta, 2018).

Labour relations techniques include the development of welfare programs; ineffective welfare policies result in low employee retention. However, well-designed welfare policies will improve an organization's performance by, among other things, establishing a closed loop for resolving social and economic employee problems. According to Wilke et al. (2018), employee development is a management idea that helps with knowledge, skill, and competency growth and fosters workplace happiness. Training, mentorship, and career advancement are all elements of training for employees that are intended to increase output and boost each worker's sense of worth. In most, if not all, organizations, technology has taken on the role of HR. Employee retention has subsequently been impacted by the introduction of new technologies (Papa et al., 2018). The study variable of employee retention was examined by establishing how talent management, organization culture, compensation rates, and employee satisfaction rate influence the budgeting process at Magutini Level Four Hospital.

C. Training and Development

Employees acquire information or skills through systematic training to achieve particular goals in the organization (Birou & Hoek, 2022). Employee training's primary goal is to induce behavioural change in the people who receive it. To help the organization, accomplish its goals, the trainees must develop new technical knowledge, manipulative abilities, and job-related skills. As a result, training is a conscious attempt to impart certain information (Armstrong & Taylor, 2020). The training seeks to support an employee's development of certain values and attitudes in

ISSN No:-2456-2165 https://doi.org/10.38124/ijisrt/IJISRT24AUG264

addition to improving their knowledge in connection to functional and administrative duties. Assiduity, willingness, honesty, loyalty, and responsibility are some of them. Noe and Kodwani (2018) Training is a company's intentional attempt to help staff members acquire skills relevant to their jobs. These skills comprise the behaviour or knowledge required for efficient job performance. Training has produced the information, skills, and behaviours that are mastered and applied in daily tasks as described in training programs.

To get a competitive edge, businesses must integrate their training into every aspect of their operations. To gain a competitive edge, a company's training program must go beyond the development of core skills. An organization prepares its personnel for the job through training to fulfil both market expectations and the needs of the company's management. This improves employee performance by maximizing their potential inside the organization (Mehreen & Ali, 2022). Knowledgeable employees may effectively do their responsibilities with a high degree of autonomy with ease (Dixit & Sinha, 2020). Performance evaluations show that most companies spend money on training and development to bridge the little gap between what workers do and what is expected of them (Maliku, 2016). People with high qualifications and those with low qualifications need different levels of training. For people with poor credentials, extensive training and great drive are necessary to prepare them to collaborate with others who possess higher qualifications (Becci, 2006).

The ability and worth of training and development initiatives are significantly impacted, according to According to Armstrong (2013), the degree of change occurring both internally and outside, the availability of suitable skills within the present workforce, and the degree to which management views training as a driving force in the workplace. According to Armstrong and Taylor (2020), training is an essential first step in the development of human capital. Putting money into training initiatives might make workers feel obligated to the firm. Given that a given job necessitates a certain set of abilities and information, training is essential for individuals to do that job effectively and to their advantage. Business is interested in investing in employee training and building their self-confidence since it plans to rely on them in the future when they will work harder and more effectively. Effective training programs foster a more conducive learning environment and equip staff members to handle upcoming challenges with greater speed and efficacy (Birou & Hoek, 2022).

II. STATEMENT OF THE PROBLEM

Effective planning is a must for today's human resources specialists, yet adhering to the service-oriented human resource philosophy is insufficient. A sufficient level of human resource competency in knowing the rules in the preparation is required to generate efficient budget planning. It is necessary to have a budget to support these activities, as well as departmental operations, the prioritization of projects that are in line with objectives, and sincere, efficient human resource planning. Human resource experts must put this strategy into action after these initial stages to influence organizational outcomes and acquire the desired outputs from the human function. There is general agreement that the state institutions' budget performance in Kenya is still subpar despite the existence of a budget calendar and the extensive, involved, Magutini Level Four Hospital conducts an exercise in highly participative planning every fiscal year to have few actual or budget variations.

In terms of efficiency, service delivery, and product quality, this is particularly true. Budget discrepancies persistently persist during the implementation. This is due to a lack of a clear connection between budgets the planning process and authorized policies. Budget reallocations, additional budgetary forecasts, and mini-budgets result from the ongoing imbalance between expenses and revenues. Magutini Level Four Hospital is no different. The budgeting process has been the subject of numerous studies, including Korir (2022), which found a significant association between the budgeting process factors and the financial performance of the Kenyan counties of Kericho and Bomet's tea processing plants. Because it was based on a census and only contained a limited number of participants, the study has a methodological gap. Using Kenyatta National Hospital as a case study, Kamau et al. (2017) examined how Kenya's budgeting procedure affects state-owned enterprises' financial performance. According to the study, budgetary participation and state company performance in Kenya are correlated. A contextual gap identified by the study has to be investigated. Mutungi (2017) examined how budgeting and budgetary management impacted Kenya's devolved government's financial performance. It found that County government faces difficulties in carrying out its budgets, including failing to adhere to the dates for budgetary compliance under the Public Financial Management Act of 2012 The study presents an empirical gap that requires investigation; to close the gap, HRP was used as a variable in this study.

The connection between HRP and Magutini Level Four Hospital's entire budgeting process is the study's main goal. Additionally, the study aims to look into the potential of HRP as strategies, policies, components, and a framework to assist with the budgeting process. This study is unique in that it has never been undertaken in a Magutini Level Four Hospital setting, and it aspires to establish such a broad vision. The goal is to determine the essential aspects impacting human resource planning's contribution to the public sector's institutional budgeting process. This contribution is the focus of the research.

➢ *Objectives*

- To establish the effect of employee retention on the budgeting process at Magutini Level Four Hospital
- To determine the effect of staff training and development on the budgeting process at Magutini Level Four Hospital

ISSN No:-2456-2165 https://doi.org/10.38124/ijisrt/IJISRT24AUG264

III. THEORETICAL LITERATURE REVIEW

A. Goal Setting Theory

Dr. Edwin Locke was the one who created this theory; in the 1960s, he started looking into the theory (Locke & Latham, 2015). According to the goal-setting theory, it seeks to control how people behave within an organization. According to Locke and Latham (2015), studies outline precise objectives that result in improved individual and budgeting process. Four processes for motivation are involved in goal-setting, including energizing functions and meaningful objectives. Theorists recognized coercive, normative, and mimetic influences as factors influencing an organization's operational orientation. The theory holds true for workstations and demonstrates that it is the organization's exclusive duty to see to it that staff shortage requirements are met. It further suggests that in order for people to operate at their greatest capacity, they need enough earnings or wages and a supportive work environment. According to the idea, there are at least four different types of motivational mechanisms: energizing function, meaningfulness, perseverance, and distinguishing consideration (Deschamps & Mattijs, 2017).

Humans always pursue certain objectives in life, and they won't feel fulfilled unless they attain those goals. At the same time, such goals serve as benchmarks for defining levels of satisfaction and discontent. The theory looks to motivators to explain why certain behaviors occur in organizations, and it considers external incentives to be motivators that drive behavior rather than intrinsic rewards when internal forces are at work. Employees can therefore accomplish both their own ambitions and organizational objectives (Bipp & Kleingeld, 2011). The theory provides a framework to analyze how relationships between companies, their staff, and other participants are carried out and how they might become ingrained over time. The concept still holds true for modern organizational structures, procedures, and tactics and policies because interactions between organizations and diverse participants in their environment influence how institutions gauge performance in challenging and competitive environments. The theory is applicable and was utilized in this investigation to illustrate the correlation between the variables under investigation staff retention, training and development.

B. Institutional Theory

In 1984, Goguen and Burstall developed the theory. The idea places more focus on the environment of the organization as a crucial element in determining its structure and behaviors. Even if an organization did not want to, changes in environment may compel it innovate a new plan to implement. The idea has placed emphasis on how an organization's environment shapes its organizational structure and corporate behavior. The theory, shows that organizational decisions are impacted by social and cultural elements that are seen as acceptable in the organization's structure rather than being solely driven by goals that are well-organized and reasonable. According to the theory, organizations start to resemble one another due to pressure for authenticity. This is supported by the fact that businesses that deal with similar products are more likely to be influenced by the constantly shifting needs of their customers, which forces them to imitate their market-leading rivals (Gauthier, 2013). According to Aksom and Tymchenko (2020), the theory also emphasizes organizational social behavior, which defines formations, norms, and processes as organizational tactics.

The theory of institutions provides a structure for analyzing how businesses engage with their workforce and other stakeholders and how this interaction might become entrenched over time through human resource practices (HRP). The theory continues to be important to modern organizational strategies, procedures, structures, and policies as organizations engage with various players in their environment. This affects how businesses decide which individuals will develop in their careers in certain competitive and volatile settings. Organizational decisions are driven by more than just logical goals, claims institutional theory. The research makes use of the idea to explain how societal values and laws that have an impact on organizational operations have changed the organization. This study will apply this theory to the relevant regions that influence HRP policies, budgeting process methods, and organizational procedures and elucidate how they become embedded as the business interacts with its surroundings, which impacts how they function.

C. Human Capital Theory

This idea was first acknowledged by Schultz (1961) and then further expanded by Becker (1964). Its main premise is that an organization's ability to grow its revenues depends on its ability to expand its human capital. Businesses that invest in their employees by exposing them to current operating techniques through education, training, and exposure boost their technical know-how and productivity. Marginson (2019) pointed out that increased earnings and better organizational output are arguments for investing in human capital inside the company. If an organization wants to increase performance, it must make investments in employee development, education, and staff training to provide its employees the tools they need to increase output, identify problems, and discover solutions, and look for ways to expand the organization's income-generating opportunities (Nafukho, Hairston, & Brooks, 2004). Gillies (2017) made notice of this notion when he said that A portion of an entity's capital is invested in its workforce. Effectiveness of the training was measured by the trainees' output and productivity levels, and the investment's return was assessed in terms of profits realized and expenses incurred.

As a result, the idea might explain how workers could pick up new skills on the job through job enrichment and training initiatives that increase staff roles and responsibilities, which will enhance problem solving, operational systems, and productivity. Training initiatives concentrate on providing employees with information and skills that increase their potential in the production and processing processes. Employee performance and competency gaps are filled through training. Therefore, investing in human capital enables the creation of a skilled

ISSN No:-2456-2165 https://doi.org/10.38124/ijisrt/IJISRT24AUG264

labor force that can address issues at work and boost output. According to the notion, an organization's human resources will determine the labour force's marginal productivity, which is linked related to wages, through training and education (Fix, 2018). As a result, the theory is unable to account for the differences in incomes, salaries, and employment status that have an impact on output, satisfaction, and retention rates.

By making an inflexible, one-way relationship between training and education while neglecting factors that also affect output equally, such as talents, interests, and social context, Marginson (2019) critiques the theory as being narrow-minded. Furthermore, productivity is viewed by McLean and Kuo (2014) as an individual feature in the human capital theory, with little regard for the social context. Even the educational and training procedures occur in a communal setting., influences each employee's productivity differently. The idea also urges businesses to spend money on training while also setting aside money for salary increases or bonus payments since highly skilled workers are highly productive and expect higher wages. If there isn't a pay raise after the training, the staff members will lose motivation and depart the company (Fix, 2018). Training, mentoring, and coaching programs that provide employees skills needed to handle their duties that drives hard work. Because there are less occasions of boredom, expanding and improving the job assignments encourages employees to remain longer at the company. These two elements go hand in hand using the notion of human capital growth, which forms the foundation of human capital theory (Fix, 2018). Idea revealed importance of budgeting and training and development as key factors that support the expansion of the firm's human capital's capacity and skills. Highly skilled personnel and workers who do engaging job assignments are more inclined to remain with the firm and support its operations.

IV. EMPIRICAL LITERATURE REVIEW

A. Employee Retention

Australian middle size business was used by Amarakoon and Colley (2023) to investigate staff attraction and retention challenges and emphasize the significance of organizational context elements like geography and scale when building HR solutions. The paper includes a qualitative study using information gleaned from interviews, focus groups, and strategy documents that have been evaluated thematically. The expansion and competitiveness of the case study business rely on a well-thought-out set of HR initiatives, such as the coordinated use of formal and informal HRM practices and the deliberate use of employer branding, and capitalizing on regional environment. The HRM literature is aware of the propensity to focus on studying bigger firms in urban at the expense of more contextually nuanced studies. This research, which pays special attention to scale and location, advances our knowledge of employee recruitment and retention through employer branding by investigating a medium-sized business in a nearby area. It emphasizes the value of dynamic between informality and formality (Amarakoon & Colley, 2023). An empirical gap is identified by the investigation that has to investigated in a local view-point.

Using work satisfaction and job embedding as mediators, Aman-Ullah et al. (2022) examined the relationship between job security and doctor retention. the authors want to add to the current research by giving more empirical data regarding the connections between employee retention, job security, job satisfaction, and job embedding. Physicians employed by public hospitals was conducted. Hospitals provided information via semi-structured surveys. For participant selection, the basic random sampling approach was utilized, & to analyze the data, PLSSEM was applied. Both direct and indirect connections were validated by the data. The results imply that job stability may improve physician retention. Moreover, job embedding and work satisfaction play a significant role as mediators of the direct relationship. This study offers empirical support for the variables influencing physicians' aspirations to remain in the medical field. Research on a local level is necessary to address the contextual gap that the study exposes.

Ndiritu (2022) used insurance companies in Nairobi City County to study employee retention and career growth. Employee retention was assessed using characteristics such education and training. Responses from operations managers, human resource managers, Using a descriptive research methodology, the study comprised financial managers from each of the 61 insurance companies. 183 respondents were sample size, census, and purposive sampling techniques. The investigator utilized structured questionnaires to gather data, and in order to verify their validity and reliability they were first pilot tested. SPSS was adopted for data processing, which included descriptive analysis, as well as multiple regressions to illustrate how variables were associated. According to the regression study, career development accounted for 78.1% of the change in employee retention. The biggest effect on retention was found in career planning, with R values of.637, R values of.612 are found for training and development after that. With R values of.584, job enrichment had the biggest impact on employee retention, while coaching and mentoring had the least., with 0.455 R values. Additionally, given all of the research's p-values were 0.05, career development had a positive impact on employee retention in insurance companies. Consequently, the study concludes that career development positively affects employee retention (Ndiritu, 2022). Study identifies a contextual gap that must be investigated utilizing Magutini Level Four Hospital as a case study to corroborate Ndiritu's results.

B. Training and Development

Bhatti, et al (2022) investigated training and employee performance. The goal was to ascertain how training design impacted healthcare workers' performance. In this cross-sectional survey, respondents are chosen randomly from among nurses. Questionnaire is the main data collection instrument used in the investigation. 306 completed questionnaires, and information gathered from them is utilized to ascertain the conclusions. The effects of learning style and training material are favorable and substantial,

ISSN No:-2456-2165 https://doi.org/10.38124/ijisrt/IJISRT24AUG264

according to structural equation modeling, on performance. In conclusion, this research is an important addition to the training information. Employers must offer more training programs in order to lower the cost of recruiting and onboarding new hires. Study also suggests giving staff feedback following training so they may see where their performance can be improved (Bhatti, Soomro, & Shah, 2022). By evaluating the training design and performance elements, study has provided the gap in the global inquiry.

In the southwest of Nigeria, Osiesi et al. (2022) evaluated how staff professional growth and training affect work performance. A descriptive survey was the research method used. All employees and patrons of the departmental, academic, and university libraries of the Federal University of Oye Ekiti are included in the study. The 77 participants in the study were selected using the purposive sampling technique. Data collection techniques included staff performance, development and training, and staff development program questionnaires. At a 5% level of significance, the data were analyzed using inference statistics and descriptive statistics. The study's findings showed that staff members' job performance is high, that professional development and job performance are positively and statistically significantly correlated, and that staff members' job performance is greatly impacted by orientation, in-house training, seminars, on-the-job training, and instructor-led training (Osiesi et al., 2022). This study's evaluation of the training design and performance components will help academics close a gap in their current field of worldwide investigation.

Odhiambo (2018) looked on the relationship between staff productivity at Safaricom and training and development. This study evaluated the effect of worker performance and training and development using a descriptive research approach. Intended audience consists of the regular employees of 1892 who are employed in the company's Westland, Nairobi County, headquarters. The target demographic was used to randomly choose a sample of 377 responders. This study's primary data were acquired through the use of structured questionnaires. After that, we evaluated the data using the mean, standard deviation, percentages, and frequencies. The data from the investigation was presented using tables and figures. The data was coded using SPSS Version 23.0 for analysis and visualization. The coefficient of correlation R, which was 0.887, indicated the degree of correlation between the variables based on the investigation. The study's Results show that employee performance was significantly impacted by training need assessments. This resulted in part from the company's regular ability assessments, which pinpointed areas in which workers need training. Employee performance was significantly impacted by training approaches. as the content of staff trainings complied with organizational policies and procedures and the stated training needs. Because the firm selected training materials for employees that matched training requirements, training content had a substantial impact on performance. The study went on to prove that employee development programs had a substantial impact on performance since all new hires participated in a well-organized orientation session. According to the report, skill set assessments should be conducted on a regular basis in the workplace. These assessments should highlight any areas of skill deficit so that employees may get training, and training should be specific to the activities that each person does. Conducting work training should be done by trained professionals in various industries. Off-the-job training has to be offered by Safaricom. Feedback should be included in the training materials for a greater learning impact. In order to encourage employees' professional growth, the corporation should fund employee mentorship programs. Workers should be allowed to cooperate in teams on a given project (Odhiambo, 2018). To support the findings of Odhiambo, a contextual gap that has to be studied using Magutini Level Four Hospital as a case study.

C. Conceptual Framework

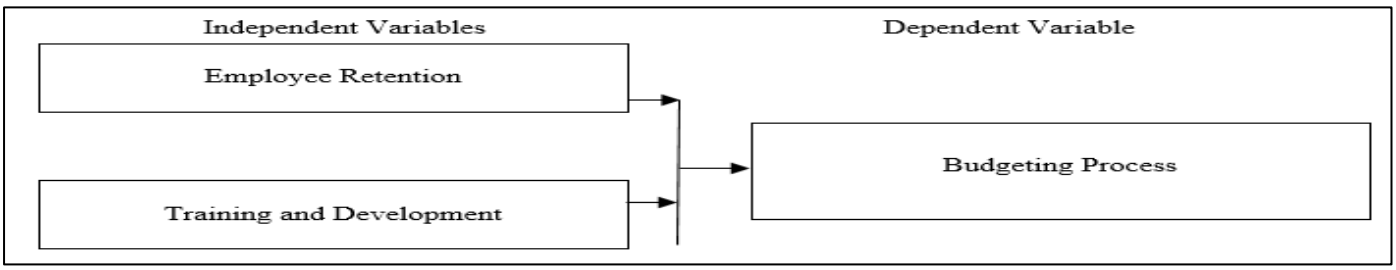

Fig 1: Conceptual Framework

V. RESEARCH METHODOLOGY

A. Research Design

The study used descriptive design. Characterizing conduct without altering it was the aim of the descriptive research design. Prior to implementing quantitative research designs, the design is usually employed to identify significant indicators regarding the variables under investigation (Bordens & Abbott, 2017). According to Cooper and Schindler (2018), a research design is a conceptual framework that guides the arrangement of the research purpose and technique, enabling the research investigation to be carried out. This tactic offers the benefit of assisting researchers in organizing and carrying out studies that provide comprehensive information about the subject's people, locations, or specific phenomena under study (Bickman & Rog, 2018). Given that gaining a deeper comprehension is usually the primary goal, the research study

ISSN No:-2456-2165 https://doi.org/10.38124/ijisrt/IJISRT24AUG264

would follow a quantitative research design. Research questions should be translated into research project. Given that improving comprehension of it is the research study's main objective, a quantitative research methodology is more suitable for this kind of study.

B. Target Population

The target population, according to Cooper and Schindler (2018), is the full set of elements for which one wishes to generalize the research findings. Researcher targeted 750 respondents. According to Creswell and Creswell (2018), stratified random sampling was employed in the study and was found to be objective, giving every population an equal chance of being selected. The portion of the population that is utilized to reflect the characteristics of the population is called a sample, according to Kothari and Garg (2015). According to Cooper and Schindler (2018), a random sample size should be used in the study in order to avoid biases. Saunders, Lewis, and Thornhill (2018) recommended that a sample that is between 10% and 30% of the target population would be a reasonable sample. The study used the Cochran 196 formula to select the sample. size at 5% significance threshold as 260.

$$\frac{n = N}{[1 + N\,(e)^{2}]}$$

Where; n – sample size N – Population size e – Level of significance n = 750 / 1+ 750 (0.05)2 = 260 Therefor the sample was 260 respondents

The study employed questionnaires because they enable and simplify correlation and inferential statistical analysis. And also helped to effectively enrich the qualitative methodology (Saunders, Lewis, & Thornhill, 2018). The questionnaire also enables anonymity, as most respondents do not want their identities known (Bordens & Abbott, 2017).

C. Validity

Validity, according to Saunders et al. (2018), is the ability of a research instrument to yield anticipated outcomes. The purpose of validity was to find and fix any errors in the research tool before the sample group was given access to it. According to Saunders, Lewis, and Thornhill (2018), this was carried out during the instrument's piloting phase. Determining whether the instrument responses supplied the necessary input to support the study in achieving its objectives as specified in the methodology was the aim of the process (Cooper & Schindler, 2018).

D. Reliability

The study also conducted a reliability test throughout the piloting phase. According to Saunders et al. (2018). The range of the Cronbach's alpha coefficient need should be 0 to 1. Higher alpha coefficient values are associated with scales that are thought to be more reliable. In this research. Utilized the 0.7 Cronbach Alpha coefficient in the study to assess dependability.

The investigator sought an authorization permission from NACOSTI and an introduction letter from the institution. According to Kothari and Garg (2015), gathering data is the methodical process of making observations or taking measurements.

E. Data Analysis and Presentation

Kothari and Garg (2015) define data analysis as the process of classifying and arranging unprocessed data obtained through research data collection techniques in order to identify pertinent information. Quantitative data from the study were analyzed with SPSS and basic statistics. Prior to drawing broad generalizations, we will code the unprocessed field data. Descriptive statistics was utilized to analyze the results (Standard deviation, percentages and frequencies) and tables were used to show the data. To show how the research variables related to one another, inferential statistics were applied. Pearson correlation aided in predicting how strong the relationship is between the variables as well as its direction. A correlation test with a significance threshold of 5% was conducted. two-tailed examination. Through the use of analysis of variance (ANOVA), the significance of the entire model was established. It was compared between the computed and tabulated f statistics. It was determined whether A 0.05 p-value indicates that the entire model is significant.

F. Ethical Considerations

Ethical consideration, according to Bickman and Rog (2018), is the use of ethics during the course of a research study. This included informed consent , voluntary participation, confidentiality, privacy, and anonymity

VI. FINDINGS, DISCUSSION AND RECOMMENDATIONS

Results showed that 182 respondents, or 70% of the sample, fully filled out and returned the questionnaires. Response rates were really good. The gender representation of the study's respondents was not evenly balanced, despite the fact that respondents were split more evenly between men and women. As a result, no gender can be held entirely accountable for the study's conclusions, as outlined by Borg and Grall (2019) and Kothari and Garg (2015). The majority were aged between 36 and 39 years. Of those surveyed, those who claimed to be between the ages of 31 and 36. Then those of age between the ages of 24 and 30; results are consistent with suggestions made by Borg and Grall (2019), Kothari and Garg (2015). The majority held a degree, with master's degree holders coming in second. None of them indicated a secondary or primary level, while another seventeen percent held college degrees and three percent held PhDs. This implies that the respondents' highest degree of education was enough for deciphering and evaluating the research questions. This indicates that working in an organization requires professional involvement (Kothari & Garg, 2015). The majority indicated they had worked there for seven to ten years, followed by 3-6 years, then for one to two years, and only a few had worked for more than eleven years. The findings indicate that the participants had worked for a considerable length of time, which increased their

ISSN No:-2456-2165 https://doi.org/10.38124/ijisrt/IJISRT24AUG264

opportunity to respond to the survey. According to Bryman and Bell (2017), long-term employees of a company or organization to understand its dynamics and provide expert evidence for study issues.

➢ *Regression Analysis*

Table 1: Model Summary of Employee Benefits

Model Summary									
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**	**Change Statistics**				
					R Square Change	**F Change**	**df1**	**df2**	**Sig. F Change**
1	0.302a	0.182	0.081	0.750	0.0182	8.957	1	90	0.004
a. Predictors: (Constant), Employee benefits									

Regression research used employee benefits as the predictor factor and the budgeting procedure as the dependent variable. Regression analysis results showed a moderate correlation (R = 0.302) between employee benefits and the budgeting process, suggesting a significant relationship. As can be seen in Table 1, study found a significant positive correlation between variables (r = 0.302, p = 0.004). Variations in budgeting process can also be clarified by other research variables, hiring and retaining people, training and development, and other internal organizational components.

Table 2: ANOVA[a] Results for Employee Benefits

ANOVA[a]						
Model		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
1	Regression	5.132	1	5.132	8.957	0.004[b]
	Residual	50.201	181	0.562		
	Total	55.333	182			
a. DV: Budgeting process						
b. Predictors: (Constant), Employee benefits						

The data were correctly anticipated by the regression model, and the results of F = 8.957 indicate that the budgeting procedure employed by Magutini Level Four Hospital is significantly impacted by employee benefits. This shows that the budgeting process is impacted by employee perks. Because the regression model's level of significance at 0.004 is less than 0.05, the dependent variable is successfully predicted. The results are listed alphabetically in Table 2.

Table 3: Regression Coefficients[a] for Employee Benefits

Coefficients[a]						
Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
		B	**Std. Error**	**Beta**		
1	(Constant)	2.760	0.353		7.808	0.000
	Employee benefits	0.270	0.090	0.302	2.993	0.004
a. DV: Budgeting process						

A 95% confidence level ANOVA was performed to compare employee benefits with the budgeting procedure. 15.87 is the F critical value, and the P value of 0.000 were used to assess the importance of the data in Table 3 and the developed regression equation. $Y = \beta 0 + \beta 2X2 + \varepsilon$; $Y = 2.760 + 0.270X2 + 0.353$

Table 4: Model Summary of Training and Development

					Change Statistics				
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the estimate**	**R Square Change**	**F Change**	**df1**	**df2**	**Sig. F**
1	.658[a]	.570	.464	.5283	.570	73.571	1	90	.000
Predictors: Constant, Training and development									

In regression analysis, the budgeting procedure was the dependent variable, while training was the predictor variable. There is a substantial link between training, development, and performance, according to a regression analysis that found a relationship between the three with a relationship R = 0.658 and a moderate correlation. Table 4 (r = 0.658, p = 0.000) illustrates the statistically significant positive correlation that the study found between the variables. Variations within the budgeting process can also be explained by other factors, such as employee benefits, and other internal features.

ISSN No:-2456-2165 https://doi.org/10.38124/ijisrt/IJISRT24AUG264

Table 5: ANOVA[a] Results for Training and Development

ANOVA[a]						
Model		**Sam of Squares**	**Df**	**Mean square**	**f**	**Sig.**
	Regression	20.584	1	20.584	73.571	0.000[b]
	Residual	23.223	181			
	Total	43.807	182			
DV; Budgeting process Training and development						

The regression model's validity and the significance of training and development at Magutini Level 4 hospital are both demonstrated by the results of 73.571, which indicate a substantial correlation between budgeting process and training and development. When the significance criteria is 0.000, or less than 0.05, the regression model effectively predicts the dependent variable. Table 5 presents the results.

Table 6: Regression Coefficients[a] for Training and Development

Coefficients[a]						
Model		**Unstandardized Coefficients**		**Standardized Coefficients**		
		B	**Std. error**	**Beta**	**t**	**Sig**
1	Constant	1.075	.352		3.449	0.000
	Training and development	0. 735	0.83	0.685	3.578	0.000

A 95% confident ANOVA analysis was conducted between the budgeting process and training and development. The F critical value, 73.571, and the P value, 0.000, were used to assess the importance of the data in Table 6 and the regression equation that was produced.

Table 7: Model Summary Budgeting Process

Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the estimate**	**R Square Change**	**F Change**	**df1**	**df2**	**Sig. F**
1	.780 [a]	.611	.594	.45801	.611	46.601	3	88	.000
Predictors: Constant, training and development, employee benefits									

Effects of independent variables human resource planning (training and employee benefits) were compared to the budgeting process. The results indicate that R2 value of 0.611, meaning that 61.1% of variation in budgeting process can be attributed to the components stated in Table 7. employee retention, training and development are some of these variables.

Table 8: ANOVA of Budgeting Process

ANOVA[a]						
Model		**Sam of Squares**	**df**	**Mean square**	**f**	**Sig.**
	Regression	26.813	4	8.931 .310	46.601	.000[b]
	Residual	16.890	178			
	Total	47.602	182			
Dependable Variable is Budgeting process employee retention, training and development						

Budgeting process is impacted by the independent variables (training and development, and employee retention), as indicated by the values of 46.601. This shows that regression model predicts the data effectively and that parameters mentioned above in relation to Magutini level four hospital have the biggest impact on the budgeting process. Table 8 displays the tabular data, indicating that the regression model correctly predicts the dependent variable when the significance level is 0.000, or less than 0.05.

Table 9: Regression Coefficients[a] for Budgeting Process

Coefficients					
Model	**Unstandardized Coefficients**		**Standardized Coefficients**		
	B	**Std. error**	**Beta**	**t**	**Sig**
Constant	0.84	0.288		2.578	0.000
Employee retention	0.270	0.090	0.302	2.993	0.004
Training and development	0.735	0.830	0.685	3.578	0.000

ISSN No:-2456-2165 https://doi.org/10.38124/ijisrt/IJISRT24AUG264

According to the regression analysis in Table 9, if all variables including employee benefits, training and development are taken into account and kept constant, the budgeting process will rise by 0.84. The results, which established the multiple linear regression models' $Y=\beta_0+\beta_1X_1+\beta_2X_2+e$

Budgeting process = $0.84 + 0.270X_1 + 0.735X_2 + 0.288$

Where:
Y= Budgeting process
(Bi; i=1, 2, 3,4) = coefficients for IV
Xi for; X1= Employee retention;
X2= Training and development

VII. CONCLUSION

The findings showed a significant link between HRP and the budgeting process. The results show that employee retention, training, and development have an effect on the budgeting process. It concludes that employee retention significantly affects the budgeting process and reveals a strong correlation between employee retention and the budgeting process. Training has a big impact on the budgeting process at Magutini Level 4 Hospital. A regression analysis that established a relationship between training, and development and the budgeting process and correlation revealed that the two have a strong correlation, which illustrates the statistically significant positive correlation that the study found between the variables. The study concludes that staff recruitment, and training and development have an impact on the budgeting process, indicating that if all variables, including the budgeting process, are taken into account, these variables account for more than 61% of the variance in the budgeting process.

RECOMMENDATIONS

Study makes following suggestions for enhancements to the Board of Directors and management Magutini level four hospital. The management of Magutini level four hospital should invest in its human capital. To expand human capital, investing in training is vital, and top management must encourage this by investing the necessary funding. Initiatives in HRM are important in this, but they won't be able to thrive if senior management in the company doesn't actively support them. Findings shows the business's leadership should offer sufficient financial resources to HRD and budgeting process. For each task in the plan, periodic cost estimates are necessary to ensure that money is spent as effectively as feasible. Research suggests that management look for further support for technical methods to executing strategies by providing chances for advancement to their staff and having clearly defined career routes for them to preserve cohesion of efforts to assist strategy execution.

As a result, the study advises at Magutini level four hospital management to adopt effective, training and development in organizational activities. This is because HR planning which strongly emphasize good recruitment process, employee retention strategies, staff motivation as well as training, have a positive impact on the organization's performance. Therefore, in order to maintain the company's competitive position in the market while addressing the unstable business climate, strong, well-developed training and development programs are required.

Pay is a crucial component of any company's retention strategy in the current competitive landscape. No matter how well appreciated they may feel, workers who feel underpaid for their efforts are more inclined to think about quitting their current workplace. Companies that have transparent pay practices and clear pay policies are more likely to attract new employees.

Given the lack of progress since pandemic', it becomes sense that over half of workers say they feel burned out as a result of rising living costs, demanding personal lives, and unstable political and economic environments. Ensuring that workers have manageable workloads, The greatest methods to avoid burnout are to have open lines of communication with management and to foster a happy work environment. However, businesses should also think about taking additional steps to support employees' physical and emotional health. Benefits like wellness reimbursements for massages or gym memberships, insurance coverage for counselling and other mental health treatments, and even access to online resources for wellbeing or meditation may be helpful to staff members.

REFERENCES

[1]. Aksom, H., & Tymchenko, I. (2020). How institutional theories explain and fail to explain organizations. *Journal of Organizational Change Management, 33 (7)*, 1223-1252.
[2]. Alsharari, N. (2022). Institutionalization of results-based budgeting in the public sector: political and economic pressures. *Asian Review of Accounting, 30(3)*, 352-377.
[3]. Amarakoon, U., & Colley, L. (2023). Attraction and retention of employees in an Australian regional SME: the importance of place and scale in HRMt. *Personnel Review, 52 (3)*, 521-538.
[4]. Armstrong, M., & Taylor, S. (2020). *Armstrong's Handbook of Human Resource Management Practice.* London: Kogan Publishers.
[5]. Aslam, H., Aslam, M., Ali, N., B., H., & Jabeen, M. (2013). Human Resource planning practice in managing human resource A literature Review. *International Journal of Human Resource Studies, 3(1)*, 200-212.
[6]. Batt, C., Rikhardsson, P., & Karlsson, T. (2021). Exploring the Impact of Organizational Context on Budgeting . *Corporate Ownership and Control, 18(4)*, 134-151.
[7]. Becker, S., Mahlendorf, M., Schäffer, U., & Thaten, M. (2016). Budgeting in Times of Economic Crisis. *Contemporary Accounting Research, 33*.

ISSN No:-2456-2165 https://doi.org/10.38124/ijisrt/IJISRT24AUG264

[8]. Bhattacharya, S., & Bhattacharya, C. (2023). Sustainable human resource planning for hospitals in tier 2/3 cities: evidence from India. *International Journal of Organizational Analysis, 31(2)*, 476-507.

[9]. Bhatti, M., Soomro, B., & Shah, N. (2022). Predictive power of training design on employee performance. *International Journal of Productivity and Performance Management, 71(8)*, 3792-380.

[10]. Bibi, P., Ahmad, A., & Majid, A. (2018). *HRM Practices and Employee Retention: The Moderating Effect of Work Environment", Applying Partial Least Squares in Tourism and Hospitality Research.* Emerald Publishing Limited.

[11]. Bickman, L., & Rog, D. (2018). *Applied research design: A practical approach.* Thousand Oaks: Sage Publishers.

[12]. Bipp, T., & Kleingeld, A. (2011). Goal-setting in practice: The effects of personality and perceptions of the goal-setting process on job satisfaction and goal commitment. *Personnel Review, 40(3)*, 306-323.

[13]. Bordens, K., & Abbott, B. B. (2017). *Research Design and Methods: A Process Approach 10th Edition.* London : McGraw-Hill Education.

[14]. Cohen, S., & Karatzimas, S. (2022). The role of the human resources department in budgeting: evidence from Greece. *Journal of Human Resource Costing & Accounting,15 (2)*, 147-166.

[15]. Cooper, D., & Schindler, P. S. (2018). *Business Research Methods.* New Delhi: McGraw Hill.

[16]. Creswell, J. W., & Creswell, J. D. (2018). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches. 5th edition.* . Thousand Oaks, CA: Sage.

[17]. Dixit, R., & Sinha, V. (2020). *Addressing Training and Development Bottlenecks in HRM: Facilitating a Paradigm Shift in Building Human Capital in Global Organizations", Turkmenoglu, M.A. and Cicek, B. (Ed.) Contemporary Global Issues in Human Resource Management* . Emerald Publishing Limited.

[18]. Fix, B. (2018). The Trouble With Human Capital Theory. *Real-World Economics Review, 86*, 15-32.

[19]. Gamge, B. (2014). Promoting small and medium scale enterprises in post-conflict Sri Lanka . *International Journal of Business and Management Studies, 3(1)*, 357-364.

[20]. Gauthier, J. (2013). Institutional Theory and Corporate Sustainability: Determinant Versus Interactive Approaches. *Organization Management Journal, 10(2)*, 86-96.

[21]. Gillies, D. (2017). Human capital theory in education. *Encyclopedia of educational*, 1-5.

[22]. Kamau, J. K., Rotich, G., & Anyango, W. (2017). Effect of budgeting process on budget performance of state corporations in Kenya: A case of Kenyatta National Hospital . *International Academic Journal of Human Resource and Business Administration, 2(3)*, 255- 281.

[23]. Koch, C., Bekmeier-Feuerhahn, S., Bögel, P., & Adam, U. (2019). Employees' perceived benefits from participating in CSR activities and implications for increasing employees engagement. *Corporate Communications: An International Journal, 24(2)*, 303-317.

[24]. Korir, T. K. (2022). *The relationship between budgeting process and financial performance of tea processing factories in Kericho and Bomet counties, Kenya* . Un published MBA thesis Kabianga Univesity .

[25]. Kothari, C. R., & Garg, T. (2015). *Research Methodology.* New Delhi: New Age International.

[26]. Kulkov, I., Tsvetkova, A., & Ivanova-Gongne, M. (2023). Identifying institutional barriers when implementing new technologies in the healthcare industry. *European Journal of Innovation Management, 26 (4)*, 909-932.

[27]. Lino, A., Azevedo, R., & Belote, G. (2023). The influence of public sector audit digitalisation on local government budget planning: evidence from Brazil. *Journal of Public Budgeting, Accounting & Financial Management,35(2)*, 198-221.

[28]. Locke, E. A., & Latham, G. P. (2015). New Directions in Goal Setting Theory. *Current Directions in Psychological Science volume 15 (5)*, 265- 268.

[29]. Maddox-Daines, K. (2023). Delivering well-being through the coronavirus pandemic: the role of human resources (HR) in managing a healthy workforce. *Personnel Review, Vol. 52 (6)*, 1693-1707.

[30]. Maliku, M. (2016). *The perceived relationship between employee retention and organization performance* . Un-published MBA thesis UoN.

[31]. Marginson, S. (2019). Limitations of human capital theory. *Studies in Higher Education, 44(2)*, 287-301.

[32]. McLean, G. N., & Kuo, M. H. (2014). A critique of human capital theory from an HRD perspective. *Human Resource Development Journal, 5(1)*, 11-21.

[33]. Meher, J., & Mishra, R. (2022). Evaluation of perceived benefits and employee satisfaction through knowledge management practices. *Global Knowledge, Memory and Communication, 71 (1/2)*, 86-102.

[34]. Mehreen, A., & Ali, Z. (2022). The interplay between employee development factors and succession planning in predicting employee performance: evidence from retail banks. *Industrial and Commercial Training, 54(3)*, 528-543.

[35]. Mourajid, Y., Ghafili, A., Chahboune, M., Hilali, A., & Fihri Fassi, C. (2023). Governance in Moroccan public hospitals: critical analysis and perspectives for action. *International Journal of Health Governance, 28 (1)*, 31-45.

[36]. Moustaghfir, K., El Fatihi, S., & Benouarrek, M. (2020). Human resource management practices, entrepreneurial orientation and firm performance: what is the link? *Measuring Business Excellence*.

[37]. Mutungi, Z. W. (2017). *Budgeting and budgetary control, managerial performance and county regulation on financial performance of county government.* Nairobi : MBA thesis UoN .

ISSN No:-2456-2165 https://doi.org/10.38124/ijisrt/IJISRT24AUG264

[38]. Nafukho, F. M., Hairston, N., & Brooks, K. (2004). Human capital theory: Implications for human resource development. *Human Resource Development International, 7(4)*, 545-551.

[39]. Ndlela, S. (2020). *Factors contributing to discrimination of individuals and groups in the context of recruitment and selection in organizations in Nairob.* Un Published MBA theis USIU .

[40]. Noe, R. A., & Kodwani, A. D. (2018). *Employee training and development.* London: McGraw-Hill Education.

[41]. Nyawira, L., Tsofa, B., Musiega, A., Munywoki, J., Njuguna, R. G., Hanson, K., . . . Barasa, E. (2022). Management of human resources for health: implications for health systems efficiency in Kenya. . *BMC Health Serv Res 22*, 1052- 1072.

[42]. Odhiambo, O. J. (2018). *Effect of training and development on employee performance at Safaricom company limited* . MBA thesis KCA University .

[43]. Ogunbayo, B., Ohis A., C., Thwala, W., & Akinradewo, O. (2022). Assessing maintenance budget elements for building maintenance management in Nigerian built environment. *Built Environment Project and Asset Management,12(4)*, 649-666.

[44]. Osiesi, M., Odobe, V., Sanni, K., Adams, A., Oke, C., Omokhabi, U., & Okorie, N. (2022). An assessment of the impact of professional development and training on job performance of library staff in Federal University . *Library Management, 43 (3/4)*, 228-239.

[45]. Otundo, R. (2017). *Budgeting processes, internal controls, organizational characteristics and performance of selected protestant and evangelical churches in Kenya* . MBA thesis UoN.

[46]. Papa, A., Dezi, L., Gregori, G. L., Mueller, J., & Miglietta, N. (2018). Improving innovation performance through knowledge acquisition: the moderating role of employee retention and human resource management practices. *Journal of Knowledge Management 24(1).*

[47]. Rahman, M., Aydin, E., Haffar, M., & Nwagbara, U. (2022). The role of social media in e-recruitment process: empirical evidence from developing countries in social network theory. *Journal of Enterprise Information Management, 35(6)*, 1697-1718.

[48]. Saunders, M., Lewis, P., & Thornhill, A. (2018). *Research Methods for Business Students.* London: Financial Times.

[49]. Saviour, A. W., Amedagbui, K., Buabasah, D. Y., & Letsa - Agbozojoseph, K. (2016). The Impact of Effective Recruitment and Selection Practice on Budgeting process (A Case Study at University Of Ghana). *Global Journal of Management and Business Research, 16(A11)*, 25–33.

[50]. Wilke, D. J., Radey, M., King, E., Spinelli, C., Rakes, S., & Nolan, C. R. (2018). A multi-level conceptual model to examine child welfare worker turnover and retention decisions. *Journal of Public Child Welfare, 12(2)*, 204-231.