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**INFLUENCE OF RESOURCE ALLOCATION ON  
ORGANIZATIONAL PERFORMANCE OF MISSION FOR  
ESSENTIAL DRUGS AND SUPPLIES, NAIROBI KENYA**

<sup>1</sup>Karen Kimathi, <sup>2</sup>Dr. John Muhoho & <sup>3</sup>Mr. Muhungura Mbiyu  
<sup>1,2&3</sup>St. Paul's University, Private Bag – 00217  
Limuru, Kenya

Corresponding author's email: [karenkkimathi@gmail.com](mailto:karenkkimathi@gmail.com)

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**ABSTRACT**

**Purpose of the study:** The study examined the influence of resource allocation on organizational performance of Mission for Essential Drugs and Supplies (MEDS), Nairobi Kenya.

**Statement of the problem:** The healthcare supply chain in Kenya continues to face persistent performance challenges, including delays in the availability and distribution of essential medicines. Despite its critical role in healthcare supply, the Mission for Essential Drugs and Supplies (MEDS) continues to experience operational and performance inefficiencies that affect service delivery and public health outcomes.

**Methodology:** The study adopted a descriptive research design targeting all 120 permanent employees drawn from top, middle, and lower-level management at MEDS headquarters in Nairobi through a census approach. Primary data were collected using structured Likert-scale questionnaires, piloted at MEDS Kisumu branch, and analyzed using SPSS version 26 through descriptive statistics, Pearson correlation, and multiple regression analysis.

**Findings:** The study findings revealed a very strong and statistically significant positive relationship between resource allocation and organizational performance of MEDS in Nairobi ( $r = 0.791$ ,  $p = 0.000$ ). Regression analysis further established that resource allocation had a positive and statistically significant effect on organizational performance ( $\beta = 0.505$ ,  $p < 0.001$ ).

**Conclusion:** The study concludes that strategic allocation of financial, technological, and human resources significantly enhances operational efficiency, quality assurance, and service delivery at MEDS.

**Recommendations:** The study recommends that MEDS management should strengthen strategic planning and prioritization of resources by aligning budget allocations with organizational goals, enhancing staffing levels, and investing in modern technology and operational equipment to improve efficiency and organizational performance.

**Keywords:** *Resource Allocation, Organizational Performance and Mission for Essential Drugs and Supplies*

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## **BACKGROUND OF THE STUDY**

Resource allocation refers to the systematic process of distributing an organization's financial, human, technological, and logistical resources in alignment with strategic priorities to optimize operational efficiency and achieve desired performance outcomes. It involves strategic budgeting, prioritization of critical functions, staffing optimization, investment in appropriate technology, and equitable deployment of assets to support core operations (Collins & Bennett, 2020). Unlike ad-hoc or inefficient resource distribution that often results in wastage, stock imbalances, delays, and suboptimal service delivery, effective resource allocation emphasizes strategic alignment, efficiency, accountability, and adaptability to changing operational demands (Robbins & Coulter, 2021).

In mission-driven healthcare supply organizations like the Mission for Essential Drugs and Supplies (MEDS), prudent resource allocation is critical for ensuring the timely procurement, storage, and distribution of quality essential medicines while maintaining cost-effectiveness and service reliability (Noble, 2022). For MEDS, organizational performance is measured by its ability to deliver high-quality pharmaceutical and medical products reliably, affordably, and on time to healthcare facilities across Kenya and the region. Resource allocation directly influences these outcomes by determining how well financial resources support procurement, human resources meet operational staffing needs, and technological assets enhance supply chain efficiency. Inefficient allocation leads to challenges such as stock-outs, delivery delays, understaffing, and compromised quality assurance, all of which undermine organizational performance and erode stakeholder trust (Anderson & Patel, 2020; Hrebiniak, 2020).

Globally, effective resource allocation has been recognized as a key driver of performance in healthcare and nonprofit organizations (Kerzner, 2022). In the United States, faith-based organizations such as Samaritan's Purse have demonstrated strong performance through strategic allocation of medical supplies and personnel during disaster response, enabling integrated healthcare delivery that combines medical treatment with spiritual support (Martin, 2021). Similarly, leading technology and healthcare firms like Amazon and Apple have achieved sustained competitive advantage by aligning financial and technological resources with strategic goals, resulting in enhanced operational efficiency and market responsiveness (ReliefWeb, 2023).

In Asia, the Catholic Health Association of India (CHAI) successfully implemented a digital transformation strategy supported by targeted resource allocation across over 3,000 facilities (Raj & Gupta, 2022). By investing in integrated health information systems and capacity building, CHAI achieved a 15% reduction in patient waiting times and a 12% increase in healthcare access for marginalized populations (CHAI Report, 2023). In the Philippines, the Catholic Bishops' Conference of the Philippines (CBCP) Healthcare Program utilized decentralized resource allocation to train over 5,000 community health workers and distribute essential supplies to remote areas, improving healthcare access for 2 million rural residents while reducing operational costs (Rabah, 2021).

In Africa, resource allocation practices have become increasingly vital for healthcare organizations facing funding constraints and rising demand. The Uganda Catholic Medical Bureau (UCMB), overseeing more than 300 health facilities, adopted a performance-based funding model with strategic resource allocation, resulting in a 15% increase in patient satisfaction and a 10% reduction in operational costs between 2020 and 2024 (UCMB Performance Review, 2023). In Nigeria, organizations that prioritized strategic resource deployment in the face of economic instability recorded improved service delivery and resilience in the health sector (Clarke, 2021). In Kenya, healthcare supply chain organizations operate in a challenging environment characterized by resource scarcity, increasing demand for essential medicines, competition from multinational suppliers, and the need to support national goals such as Universal Health Coverage (UHC). Despite notable progress, many institutions continue to face inefficiencies in procurement, staffing gaps, and technology utilization, leading to delayed distributions and stock imbalances (Njoroge, 2023; MOH Kenya, 2023). Effective resource allocation through aligned budgeting, competent staffing, and

investment in supply chain technology is therefore essential for enhancing logistical efficiency, minimizing costs, and ensuring consistent availability of quality medical products.

Organizational performance refers to the extent to which an organization achieves its strategic objectives, operational targets, and service delivery goals through the efficient and effective utilization of available resources. Organizational performance encompasses both financial and non-financial outcomes, including service quality, operational efficiency, customer satisfaction, employee productivity, innovation, and achievement of organizational goals (Richard et al., 2022). In humanitarian and healthcare supply organizations such as the Mission for Essential Drugs and Supplies (MEDS), organizational performance is reflected in the organization's ability to ensure continuous availability of essential medicines, timely delivery of medical supplies, responsiveness to customer needs, operational reliability, and compliance with quality standards (Kaplan & Norton, 2021).

Effective organizational performance demonstrates the organization's capacity to fulfil its mandate while maintaining efficiency, accountability, and sustainability in its operations (Daft, 2022). Service delivery effectiveness and product availability are critical indicators of organizational performance at MEDS because they directly influence healthcare outcomes and customer satisfaction. As a leading supplier of essential medicines and medical supplies in Kenya, MEDS is expected to ensure timely procurement, storage, and distribution of quality healthcare products to faith-based health facilities, public institutions, and other healthcare providers (Mugambi & Kihara, 2021).

Ineffective organizational performance may result in delayed deliveries, stock shortages, increased operational costs, and disruptions in healthcare service provision. According to Armstrong and Taylor (2023), organizations that fail to effectively coordinate their resources and operations often experience reduced productivity and stakeholder dissatisfaction. Consequently, MEDS must continuously strengthen its operational systems, workforce capabilities, and resource management practices to maintain high levels of service delivery and organizational effectiveness (Robbins & Coulter, 2021).

In Kenya's healthcare sector, organizations operate in an increasingly complex environment characterized by growing demand for healthcare services, supply chain disruptions, funding constraints, and heightened expectations for accountability and efficiency. Healthcare supply organizations such as MEDS play a critical role in supporting healthcare delivery by ensuring the availability of essential medicines and medical commodities across the country (Kariuki &

Maina, 2022). However, challenges such as fluctuating donor support, rising procurement costs, changing regulatory requirements, and logistical constraints continue to affect organizational performance within the healthcare supply chain (Mwangi & Kibet, 2021). These challenges have heightened the need for organizations to adopt effective management practices that enhance operational efficiency, service quality, and sustainability. Therefore, organizational performance has become an important measure of success for MEDS, reflecting its ability to meet stakeholder expectations, achieve strategic objectives, and contribute to improved healthcare service delivery in Kenya (Njoroge & Wambui, 2023).

### **STATEMENT OF THE PROBLEM**

The healthcare supply chain in Kenya, particularly within organizations mandated to ensure the availability and timely distribution of essential medicines, continues to face persistent performance challenges. These include inefficiencies in logistics, delays in procurement and distribution, poor coordination among stakeholders, and lapses in quality control. Such challenges not only compromise service delivery but also threaten public health outcomes by delaying access to life-saving medications. The Mission for Essential Drugs and Supplies (MEDS), a pivotal institution in Kenya's healthcare supply ecosystem, has not been immune to these issues.

Despite its critical mandate, the organization is currently grappling with significant operational and performance inefficiencies. A primary concern is the delay in distributing essential health commodities including antiretroviral (ARV) drugs, tuberculosis (TB) medicines, and malaria treatment supplies valued at approximately Ksh 4 billion, as reported by the World Health Organization (WHO Kenya, 2022). These delays have been largely attributed to logistical hurdles and the lack of timely authorization for MEDS to distribute the products, as acknowledged by government sources.

In addition to supply chain delays, MEDS's internal operations have also raised concerns. The organization's laboratory recorded a non-compliance rate of 5.1% in quality control tests between 2019 and 2022 a figure that signals gaps in pharmaceutical quality assurance (MEDS Annual Report, 2023). Such inefficiencies not only undermine MEDS's ability to fulfill its mission but also erode trust among key stakeholders, including government agencies, healthcare providers, and patients therefore the sought to establish the influence of resource allocation on organizational performance of Mission for Essential Drugs and Supplies in Nairobi, Kenya

## **THEORETICAL FRAMEWORK**

The study was anchored on Resource Based View (RBV) theory. The theory was developed by Penrose in 1952 and latter enhanced by Wernerfelt (1984), the theory posits that an organization's competitive advantage lies in its ability to acquire and utilize unique resources effectively. It has proven instrumental in strategic decision-making, particularly in identifying and leveraging unique capabilities to enhance performance (Barreto, 2018). Additionally, the theory aligns with dynamic environments, supporting firms in resource acquisition and utilization. Its focus on intangible assets, such as knowledge and innovation, ensures long-term sustainability in competitive markets (Grant, 2020). A significant critique of RBV is its limited focus on the external environment, which can diminish its applicability in highly dynamic industries (Priem & Butler, 2001). The VRIN framework has also been criticized for being difficult to operationalize, as measuring resource uniqueness is subjective.

Furthermore, the theory assumes that resources alone can drive performance, overlooking the role of processes and capabilities in integrating these resources effectively (Newbert, 2017). The Resource-Based View (RBV) is crucial for exploring how resource allocation influences the performance of the Mission for Essential Drugs and Supplies (MEDS). By emphasizing the efficient utilization of financial, human, and material resources, the study is able to identify areas for improvement that enhance timely delivery and effective operational management (Ketchen, & Wright, 2021). This perspective is particularly useful in contextualizing how scarce and strategically valuable resources are allocated within healthcare supply organizations such as MEDS in Nairobi, where efficiency and reliability are critical to service delivery (Peteraf & Barney, 2023). Therefore, the RBV provides a strong theoretical foundation for explaining the influence of resource allocation on the organizational performance of the Mission for Essential Drugs and Supplies in Nairobi.

## **EMPIRICAL REVIEW**

Mukama and Kamanzi (2023) conducted a study on the impact of financial resource allocation on project success at the Uganda National Roads Authority (UNRA). The study adopted a case study research design, focusing on infrastructure projects under UNRA. A sample of 189 project managers and finance officers was chosen through systematic sampling. Data collection involved semi-structured interviews and document analysis, with findings analyzed using content analysis and multiple regression models. The study established that adequate financial

resource allocation positively correlated with project completion rates and quality outcomes. Insufficient funding led to project delays and compromised quality.

Dlamini and Nkosi (2024) investigated the effect of human resource allocation on service efficiency in Eswatini's Ministry of Health. Using a descriptive research design, the study sampled 101 healthcare workers through simple random sampling. Questionnaires and focus group discussions were used for data collection, while ANOVA and chi-square tests were employed for analysis. The study concluded that proper workforce planning and strategic resource allocation significantly enhance organizational efficiency.

Hussein and Ogolla (2022) conducted a study on the influence of resource allocation on organizational performance of cement manufacturing firms in Kenya. The target population was 209 staff in five leading cement manufacturing companies in Kenya. The sampling method was stratified random sampling to obtain a sample of 137 respondents. The researcher used questionnaires to collect data. Data was analyzed through both descriptive and correlation analysis. The study concluded that resource allocation positively and significantly influences the organizational performance of cement manufacturing companies in Kenya.

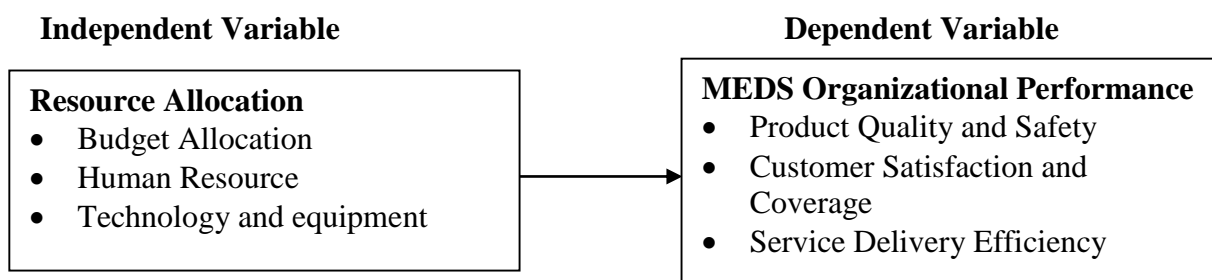
Abdikarim (2020) assessed the effect of resource allocation strategy on the performance of water services boards in Kenya. The study adopted both descriptive and correlational designs. The researcher used stratified random sampling technique to select a sample size of 150 employees from the population of the employees of water services boards. Primary data was collected using semi-structured questionnaires. The study findings indicated that resource allocation strategy affect the performance of water services boards in Kenya.

Abayo (2019) investigated the influence of organizational resource allocation and strategy communication on organizational performance of selected supermarkets in Nairobi County. The study adopted a descriptive research design and it targeted 27 supermarkets operating in Nairobi County and its management staff who included the operations and human resource managers. The target respondents were 54, two from each of the supermarkets. The findings were presented in the form of tables, figures, charts and discussions. The study established that organizational resource allocation affect organizational performance of selected supermarkets in Nairobi County

Naikumi and Gudda (2023) assessed the effect of resource allocation on performance of Kenya meat commission. The study employed descriptive survey design and used a structured questionnaire to gather data from both the management and employees of Kenya meat

Commission. The target population constituted a total of 301 employees out of which, sample size of 169 employees were selected using both simple and stratified random sampling methods. The results further indicated that there was a statistically significant relationship between resource allocation and the performance of Kenya Meat Commission.

## CONCEPTUAL FRAMEWORK



**Figure 1: Conceptual Framework**

## RESEARCH METHODOLOGY

The study adopted a descriptive research design to examine the influence of resource allocation on the organizational performance of Mission for Essential Drugs and Supplies (MEDS) in Nairobi, Kenya. The target population consisted of 120 permanent employees from top management, middle management, and lower-level staff at MEDS headquarters in Nairobi. A census approach was employed, targeting all 120 employees, as the population was small and manageable. Purposive sampling was used to select respondents with direct knowledge and involvement in strategy implementation processes, ensuring representation across hierarchical levels.

Primary data were collected through self-administered structured questionnaires utilizing a five-point Likert scale. The pilot study was conducted at MEDS Kisumu County (excluded from the main study) with 11 employees (approximately 10% of the sample size) to assess the reliability and validity of the research instrument. Validity was established through face and content validity by expert review from university supervisors, while reliability was evaluated using Cronbach's Alpha, yielding a coefficient of 0.799 for the resource allocation construct, indicating strong internal consistency. Both descriptive and inferential statistics were utilized for data analysis.

Descriptive statistics, including frequencies, percentages, means, and standard deviations, were employed to summarize respondents' perceptions of resource allocation practices and organizational performance. Inferential statistics, specifically Pearson correlation analysis and multiple regression analysis, were employed. Diagnostic tests were performed to confirm

regression assumptions, including normality, multicollinearity, with all variables meeting acceptable thresholds. Data analysis was conducted using the Statistical Package for Social Sciences (SPSS) version 26, and findings were presented using tables.

## RESULTS

This section presents the findings of the study on the influence of resource allocation on the organizational performance of the Mission for Essential Drugs and Supplies (MEDS) in Nairobi, Kenya. The results are organized into response rate, demographic characteristics of the respondents, descriptive statistics, and inferential statistics. The response rate establishes the level of participation in the study, while the demographic information describes the respondents in terms of duration of service and management level. Descriptive statistics summarize respondents' views on resource allocation and organizational performance using means and standard deviations. Inferential statistics, including correlation and regression analysis, are then presented to determine the strength, direction, and significance of the relationship between resource allocation and organizational performance at MEDS

### Response Rate

The researcher distributed 120 questionnaires to the respondents. Out of these, 110 were successfully filled and returned, representing a 92% response rate as provided in Table 1.

**Table 1: Response Rate**

Response	Frequency	Percentage (%)
Expected response	120	100
Received response	110	92
Un-received response	10	9

### Demographic Information

The researcher sought to determine the demographic information of this study including: gender, the duration the respondents have been working and level of education of the respondents.

### Duration of Service

The researcher sought to establish the duration the respondents have been working with the MEDS. The findings were as indicated in table 2.

**Table 2: Duration of Service**

<b>Duration of Service</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Less than 5 year	20	18%
5-10 years	50	46%
11-15 years	30	27%
More than 15 years	10	9%
Total	110	100

**Source: Survey Data (2026)**

From the findings, 18% of the respondents had worked at MEDS in Nairobi for less than 5 years, 46% had served for 5–10 years, 27% of the respondents had worked for 11–15 years, and a smaller proportion, 9%, had been employed for more than 15 years. This indicates that the majority of the participants have substantial experience at MEDS in Nairobi, with nearly half having 5–10 years of service. Such a distribution suggests that the study’s insights are largely drawn from employees with practical knowledge of the organization’s operations and strategic initiatives, complemented by perspectives from both newer employees and long-serving staff.

### **Distribution of Respondents by Management Level**

The researcher sought to establish the management level under which the respondents were working. The findings were as indicated in table 3.

**Table 3: Duration of Service**

<b>Management Level</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Top Level	8	7%
Middle Level	52	47%
Lower Level	50	46%
Total	110	100

**Source: Survey Data (2026)**

From the findings, 7% of the respondents were in top-level management, 47% were in middle-level management, and 46% were in lower-level management. This indicates that the majority of the respondents were drawn from middle and lower levels of management, who are directly involved in day-to-day operations and implementation of strategic initiatives. The relatively

smaller proportion of top-level managers reflects the typical organizational structure where senior management positions are fewer.

This distribution is important because it ensures that the study captures diverse perspectives across the hierarchy. The dominance of middle and lower management respondents implies that the findings are strongly grounded in the views of employees actively engaged in operational and tactical roles, thereby providing practical insights into how communication, resource allocation, leadership, and employee engagement influence organizational performance at MEDS in Nairobi. At the same time, the inclusion of top-level managers enriches the analysis by bringing in strategic oversight and policy perspectives.

### **Descriptive Findings**

The descriptive findings are discussed in sections.

### **Resource Allocation on Organizational Performance of MEDS**

The researcher sought to assess the level of agreement with the statements on the influence of resource allocation on organizational performance of Mission for Essential Drugs and Supplies in Nairobi. The findings are indicated in Table 4.

**Table 4: Resource Allocation on Organizational Performance of MEDS**

<b>Statement</b>	<b>Mean</b>	<b>Std</b>
The allocated budgets support efficient drug procurement processes.	3.881	1.103
Budget allocation is aligned with the organizational strategic goals.	4.034	0.978
MEDS has adequate staffing to meet operational needs.	3.780	1.126
The recruitment process ensures competent individuals are hired.	3.763	1.107
The technology in use enhances efficiency in drug and supply management.	3.915	1.034
Equipment provided is sufficient for achieving organizational goals.	4.025	0.965
Overall Mean and Std.	3.810	1.052

### **Source: Survey Data (2026)**

From the findings, a majority of respondents agreed that the allocated budgets at MEDS in Nairobi support efficient drug procurement processes, with a mean of 3.881 and a standard deviation of 1.103. This finding agrees with Waweru (2019), who observed that strategic allocation of financial resources positively impacts the efficiency of procurement and operational processes in Kenyan health organizations. Furthermore, respondents indicated that

budget allocation is aligned with the organizational strategic goals, with a mean of 4.034 and a standard deviation of 0.978, suggesting strong agreement that resources are planned and utilized in a manner consistent with MEDS' objectives. This is consistent with Muturi and Kamau (2018), who found that aligning resource allocation with organizational strategy enhances overall performance in public health institutions.

Additionally, the respondents moderately agreed that MEDS has adequate staffing to meet operational needs, reflected by a mean of 3.780 and a standard deviation of 1.126. Similarly, the recruitment process ensures competent individuals are hired, with a mean of 3.763 and a standard deviation of 1.107. These findings are in line with Kiplagat (2020), who highlighted that human resource allocation and recruitment of competent personnel significantly influence organizational performance, particularly in healthcare supply chain management.

Moreover, respondents agreed that the technology in use enhances efficiency in drug and supply management, with a mean of 3.915 and a standard deviation of 1.034, and that equipment provided is sufficient for achieving organizational goals, reflected by a mean of 4.025 and a standard deviation of 0.965. These results concur with Munyua (2019), who demonstrated that investment in appropriate technology and operational equipment improves efficiency and service delivery in Kenyan medical supply institutions.

Overall, the findings suggest that resource allocation at MEDS in Nairobi plays a significant role in supporting organizational performance, with an overall mean of 3.810 and a standard deviation of 1.052. The results indicate that strategic budgeting, adequate staffing, and appropriate technology and equipment collectively enhance operational efficiency and ensure alignment with organizational objectives. These findings are consistent with prior studies emphasizing that well-planned and effectively managed resources are critical drivers of organizational performance in healthcare and supply chain contexts.

In addition, the study sought to assess the strategies MEDS uses to ensure optimal staffing levels and employee capacity-building. The responses indicated that while the organization has invested in training programs and periodic workshops, staffing gaps still present challenges. As one respondent explained, *"capacity-building is ongoing, but sometimes the workload outweighs the number of available staff"* (Q18). Another employee highlighted the importance of targeted training, stating that *"when resources are allocated to specialized training, it really improves our efficiency and confidence in handling tasks"* (Q23). These perspectives suggest

that although MEDS is making progress in strengthening staff capacity, there remains a need to align staffing levels and training opportunities more closely with operational demands.

### Organizational Performance of MEDS

The researcher further sought to assess the level of agreement with the statements on organizational performance of Mission for Essential Drugs and Supplies. The study findings were as indicated in table 5.

**Table 5: Organizational Performance of MEDS**

Statement	Mean	Std
MEDS consistently supplies high-quality pharmaceutical and medical products.	3.644	0.957
The quality assurance process at MEDS effectively prevents defective products from reaching clients	3.856	0.765
The organization serves a wide range of healthcare facilities, including remote and underserved areas.	3.786	0.786
MEDS has expanded its reach over the years, improving access to essential healthcare supplies.	3.271	1.059
The organization minimizes stock outs and ensures product availability when needed.	3.111	0.908
MEDS delivers orders to clients accurately and on time.	3.305	1.311
Overall Mean and Std.	3.500	0.964

### Source: Survey Data (2026)

From the findings, respondents agreed that MEDS consistently supplies high-quality pharmaceutical and medical products, with a mean of 3.644 and a standard deviation of 0.957. This finding aligns with Kamau (2019), who emphasized that consistent quality in product supply is a key indicator of organizational performance in healthcare institutions. Furthermore, respondents agreed that the quality assurance process at MEDS effectively prevents defective products from reaching clients, reflected by a mean of 3.856 and a standard deviation of 0.765. This result is consistent with Otieno (2019), who noted that robust quality assurance systems significantly enhance service reliability and client trust in medical supply organizations.

Additionally, respondents agreed that MEDS serves a wide range of healthcare facilities, including remote and underserved areas, with a mean of 3.786 and a standard deviation of

0.786. This finding concurs with Otieno (2019), who highlighted that expanding service coverage to underserved areas is a critical measure of organizational performance in public healthcare supply chains. However, fewer respondents agreed that MEDS has expanded its reach over the years, improving access to essential healthcare supplies, with a mean of 3.271 and a standard deviation of 1.059, and that the organization minimizes stock outs and ensures product availability when needed, reflected by a mean of 3.111 and a standard deviation of 0.908. These findings suggest that while MEDS performs well in quality assurance, there are opportunities to further enhance supply chain reach and product availability, a challenge also noted by Juma (2019) in studies on healthcare supply chain efficiency in Kenya.

Finally, respondents moderately agreed that MEDS delivers orders to clients accurately and on time, with a mean of 3.305 and a standard deviation of 1.311, reflecting some inconsistencies in service delivery. This aligns with Kungu (2019), who reported that timely and accurate delivery is often a challenge in medical supply organizations due to logistical and resource constraints.

Overall, the findings suggest that organizational performance at MEDS in Nairobi is moderately strong, with an overall mean of 3.500 and a standard deviation of 0.964. The results indicate that quality assurance, service coverage, and reliability contribute positively to organizational performance, while challenges in stock management and timely delivery present areas for improvement. These findings are consistent with Ppot (2019), reinforcing that strong operational systems and effective supply chain management are critical determinants of organizational performance in healthcare supply organizations.

### Inferential Statistics

Correlation analysis was conducted to determine the strength and direction of relationships between, resource allocation and organizational performance of MEDS in Nairobi. Pearson’s correlation coefficient (r) was used to assess these relationships. The findings are indicated in Table 6.

**Table 6: Correlation Matrix**

		<b>Resource Allocation</b>
<b>Organizational Performance</b>	Pearson Correlation	.791**
	Sig. (2-tailed)	.000
	N	110

The results indicated that a very strong and statistically significant relationship was observed between resource allocation and organizational performance of MEDS in Nairobi ( $r = 0.791$ ,  $p$

= 0.000). This implies that optimal allocation of financial, technological, and human resources directly contributes to operational efficiency at MEDS. Organizations that strategically invest in critical infrastructure, staff, and technology achieve better service delivery. This aligns with Mutheu et al. (2024), who emphasized that resource allocation positively influences the performance of public institutions in Kenya.

**Test of Direct Relationship Hypotheses**

**Table 7: Regression Coefficients**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.910	.260		3.504	.001
	Resource Allocation	.505	.064	.454	7.934	.000

a. Dependent Variable: Organizational Performance of MEDS

From the findings of the study, the following regression model was generated;

From the findings, according to the intercept ( $\beta_0 = 0.910$ ), when the independent variables communication, resource allocation, leadership, and employee engagement are held constant, the organizational performance of MEDS in Nairobi stands at 0.910. This implies that even in the absence of these factors, MEDS would still maintain a baseline performance level. This foundational performance could be influenced by other internal or external factors, such as established operational procedures, existing client networks, or regulatory mandates. These observations are consistent with Mutheu & Njuguna (2024), who argued that baseline performance in public sector organizations may persist due to systemic processes and historical institutional capacity.

A unit increase in resource allocation results in a 0.505 unit increase in organizational performance of MEDS in Nairobi, with the effect being highly significant ( $p < 0.001$ ). This shows that strategically allocating financial, technological, and human resources substantially improves MEDS’ efficiency and service delivery. These findings are supported by Mutheu & Njuguna (2024), who emphasized that proper resource prioritization is a major determinant of public sector performance in Kenya.

## CONCLUSION

Based on the study findings, it was concluded that resource allocation has a positive and statistically significant influence on organizational performance at the Mission for Essential Drugs and Supplies (MEDS) in Nairobi. The regression analysis revealed that improvements in the allocation and utilization of organizational resources contribute significantly to enhanced performance outcomes, including operational efficiency, service delivery, productivity, and the achievement of organizational objectives. The findings demonstrated that organizations that strategically allocate financial, human, technological, and material resources are better positioned to optimize their operations and respond effectively to stakeholder needs.

Further, the study established that the relationship between resource allocation and organizational performance was both positive and significant, providing sufficient empirical evidence to reject the null hypothesis that resource allocation has no significant effect on organizational performance. This implies that effective resource allocation is a critical determinant of organizational success within MEDS, as it facilitates efficient utilization of scarce resources, minimizes operational inefficiencies, and supports the timely delivery of essential drugs and medical supplies. Therefore, strengthening resource allocation practices can significantly enhance organizational performance and contribute to the attainment of MEDS' strategic goals and mandate.

## RECOMMENDATIONS

The study recommended that MEDS management should enhance strategic planning and prioritization of financial, technological, and human resources. This can be achieved by regularly reviewing budget allocations against organizational goals, ensuring adequate staffing levels, and investing in appropriate technology and equipment to support operational efficiency. By doing so, MEDS will optimize resource utilization, improve service delivery, and strengthen alignment between resources and organizational objectives.

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