

UNIVERSITY OF CAPE COAST

EXTERNAL ENVIRONMENT AND PERFORMANCE OF ASSEMBLIES

OF GOD HOSPITAL, SABOBA

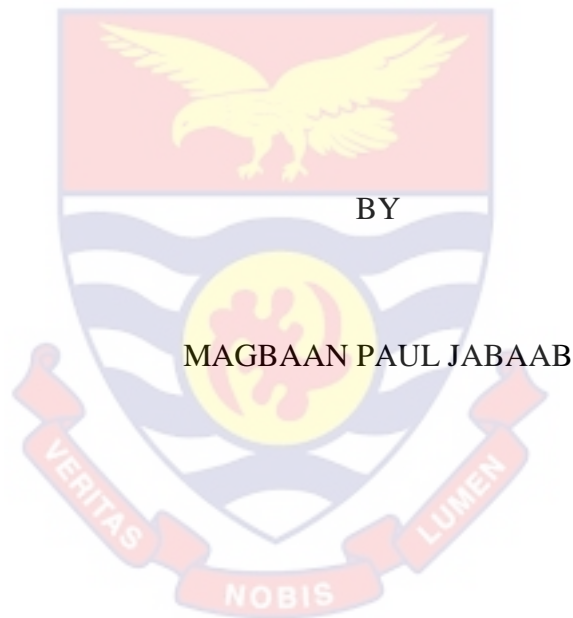


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UNIVERSITY OF CAPE COAST

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OF GOD HOSPITAL, SABOBA



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Business, College of Humanities and Legal Studies, University of Cape Coast
in partial fulfilment of the requirements for the award of Master of Business
Administration degree in Management

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DECLARATION

Candidate's Declaration

I hereby declare that this dissertation is the result of my original research and that no part of it has been presented for another degree in this university or elsewhere.

Candidate' Signature..... Date.....

Name: Magbaan Paul Jabaab

Supervisor's Declaration

I hereby declare that the preparation and presentation of the dissertation were supervised in accordance with the guidelines on supervision of dissertation laid down by the University of Cape Coast.

Supervisor's Signature..... Date.....

Name: Dr. Aborampah Amoah-Mensah

ABSTRACT

The main purpose of the study was to analyse the relationship between external environment and performance of organisation. In order to achieve the purpose of the study, six specific objectives were stated. The study was centered on institutional theory. The study adopted the causal design since the study sought to analyse the causal relationship between the variables underpinning the study. Also, since the research objectives of this study sought to test hypotheses, which are predictive-based, and the investigator seeking to collect large data that can be measured numerically, the quantitative research approach was adopted for this study. A total sample size of 159 respondents were considered. The data collection instrument for the study was questionnaire. Due to the nature of the study's objectives, the structural equation model was employed in analysing the objectives of the study. The study found that, there was a positive and significant relationship between political environment and organisational performance. Economic environment also found a positive and significant effect on organisational performance. Natural environment and technology environment had insignificant effect on organisational performance of Assemblies of God Hospital, Saboba. The study recommended that management must foster a culture of innovation within the organization.

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I also thank the management and staff of Assemblies of God Hospital, Saboba for helping with the data collection.

DEDICATION

to my beloved wife madam comfort N. Ichiin, my children: Magbaan U.
Stephanie Magbaan N Reuben, Magbaan N. Shepherd, Magbaan S. David
Brown, and to my siblings Magbaan M. Joseph Magbaan U. Margaret and
Magbaan Solomon

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CHAPTER ONE

INTRODUCTION

Background to the Study

Business is regarded as a human activity that is concerned with the production and distribution of goods and service (Mikalef, Pateli & van de Wetering, 2021). It is a social device by which societies organize economic efforts. Most specifically business is the sum total of the organized efforts by which the people engaged in commerce and industry, provide the goods and services needed to maintain or improve the standard of living and quality of life to which individual may aspire (Rehman-Khan & Yu, 2021). Hospital as an institution provides extra benefit to the economy. Aside providing jobs to nurses, doctors, and cleaners, it also supports the living standards of individuals by providing them with health issues (Kakemam & Goodall, 2019).

In management, the word “environment” does not necessarily mean physical surroundings, but is used to describe all those influences that bear upon the individual organization. Business environment is used to mean anything, which surrounds the business organization (Paille & Meija-Morelos, 2019). It affects the decisions, strategies, process and performance of the business. The environment is consisting of factors which are beyond the control of business (PESTLE), political, environment, society, technology, legal and economics. It provides opportunities or poses threats to the organization (Jelaca, Milicevic, Bjekic& Petrov, 2020). Modern business today is dynamic, if there is any word which can be best to describe today’s business, it is change the most dynamic change has been that exhibited by

competitive pressure. Competitor shave been applying one strategy or the other to adapt to the dynamic and unpredictable nature of the business environment.

In contemporary Ghanaian business environment, performance of hospitals is predicated on factors such as low patients' attendance, high dead rate, high cost of service, low capital utilization, lack of foreign exchange to source needed input and materials, poor power supply, and low quality of services rendered among others (Jiang, Shi, Lin & Liu, 2020). These environmental forces have been impeding activities in the economy. The World Bank is of the opinion that improvement in enabling environment leads to greater levels of investment by the Private sector, more wealth, job creation and poverty alleviation (Adeoye, 2013). The Ghana business environment has witnessed a lot changes from the period of 1960s after independence and the early 2010s. The relationship between business and its environment is one of mutuality, that is, the environment exerts pressure on the business while the business, in turn influences some aspects of its environment (Akpoviroro & Owotutu, 2018).

The environment in which business organizations operate is a complex, multi-focus dynamic and has a far-reaching effect on such organization. The environment tends, shape theout look, and goal of the organization by placing constraints on them (Peter, 2020). These constraints in the environment of organizations goal could be in the form of competition, this sets a limit on the goals specify by the organization. According to Ifeoma, Purity and Chuka (2019) cited in Edema, (2009), it is critical to recognize that influences and

effects flow both ways, from business to its environment as well as from the environment to business.

Rome (2019) sees business environment as, “knife with two edges; one edge is vulnerability, and another edge is opportunity.” An organisation must either fit its strategy to the industry environment in which it operates or be able to reshape the industry environment to its advantage through its chosen strategy (Nuber, Velte & Horisch, 2020). Organizations fail because of their inability to adapt themselves to the various environments that surround their businesses. For instance, Mashal and Shafiq (2014) stated that one of the threatening elements to organization performance has been linked to the dynamics of the interjection of the organizational environment. They continued that, the only thing of real importance that management of organization do, is to create and manage the threats and opportunities that comes from the environment.

Business environments influence the internal and external factors that dictate the fortunes or the lifetime solvency of organizations world over (Ariyanto & Supriyanto, 2022). Just as uncertainties in a given environment can threaten the peace or existence of individuals within that environment, so do business organizations become apprehensive about the uncertainties in their operating environments (Kuswati, 2020). These uncertainties in business environments if not properly managed by key management decision-making processes often cause organizational poor performance, which may eventually lead to failure; but when properly and adequately managed by proactive top-management decision making can lead to an unprecedented successful performance (Jiang, Wang & Zhou, 2022).

Scholars such as Rud (2009), Satcher, Okafor and Dill (2012) and Ogunro (2014) agreed that uncertainties in the turbulent environment are generally high and that is the nature of Ghanaian's organizational environment. The external organizational environment includes all elements existing outside the boundary of the organization that have the potential to affect the organization. The environment includes competitors, resources, technology, and economic conditions that influence the organization. It does not include those events so far removed from the organization that their impact is not perceived (Elenkov, 1997 as cited in Riyadi, 2019). Elenkov further conceptualized the external environment as having two layers; one, general environment and two, task environment. According to him the general environment is the outer layer that is widely dispersed and affects organizations indirectly (Zhou & Ren, 2020). It includes social, demographic, and economic factors that influence all organizations about equally.

Increases in the inflation rate or the percentage of dual-career couples in the workforce are part of the organization's general environment. These events do not directly change day-to-day operations, but they do affect all organizations eventually (Daft, 1997). While according to Daft the task environment is closer to the organization and includes the sectors that conduct the day-to-day transactions with the organization and directly influence its basic operations and performance.

The nexus of these environmental correlates play host to numerous waves of operational shocks to businesses arising from both the external and internal environments that often result in business failures of which hospitals are not accepts. Cameron, Sutton, and Whetten, (1988) cited in Mellahi (2002)

define failure as deterioration in an organization's adaptation to its micro niche and associated reduction of resources within the organization. Thus, organizations, particularly Benue State-owned companies need to correlate themselves to their various environmental segments so that they can evade failure. It is against this background that the study seeks to analyse the effect of external environment on organizational performance using Assemblies of God Hospital, Saboba as a case.

Statement of the Problem

Most of the of the government efforts in improving the performance of hospitals have been centered on improving the internal strength of the firm. However, hospitals are being affected by external environmental factors such as political factors, economic factors, social factors, technological factors and other factors that the firms do not have control over it. This has affected the operations of the hospital.

The global economy in recent past has been facing turbulent times with regard to performances of economic institutions such as hospitals and schools (Ahlstrom, Arregle, Hitt, Qian, Ma & Faems, 2020). Some learning organizations however take pragmatic positions and use the turbulent environments to their competitive advantage while others failed in the wake of the shocks and jolts in their operating environments. There has been alarming increase in the number of failed organizations all over the world –especially in the Third World countries such as Ghana.

While Ghanaian hospital shave parts of their shares de-invested by the state government to individual investors and now being operated under Ghana Health Service, their management is very key. Observations have shown that

despite the efforts made to revamp the hospitals in Ghana, they are still witnessing high rate of performance decline. The performance decline of the performance of hospitals have been attributed to series of factors.

Al-Ahmadi (2009) attributed the factors affecting included poor job satisfaction, organisational commitment, personal and professional variables. Afsharkazemi, Manouchehri, Salarifar and Nasiripour (2013) also found that lack of employee participations were the factors affecting organisational performance. Sekimoto, Imanaka. Kobayashi, Okubo, Kizu, Kobuse and Yamaguchi (2019) also attributed the poor performance to poor leadership traits. All these factors were considered as the internal factors affecting organisational performance.

Limited studies have considered the external factors affecting organisational performance (Noh, Kwon, Yoon & Hwang, 2018; Ferrier & Valdmanis, 2016; Sharififar, Jahangiri, Zareiyan & Khoshvaghti, 2020; Guanwan, Hariyati & Gayatri, 2019). Noh et al., 2018 found that, external factor such as economic factors and political factors affected the performance of banks. Ferrier and Vladmanis (2016) and Sharififar et al., (2020) found that internal environment compliments external factors in influencing organizational performance. Guanwan et al., (2019) also found out that political factors influence organizational performance. All these studies were done in a developed country. None of the studies have considered a developing country like Ghana. Moreover, using hospital as case for external factors influencing organisational performance is limited. Since much of government's efforts in the past to revive the health sector seems to have addressed more of the internal environmental problems and yet, the hospitals

are still failing; the present study therefore, is to investigate if the poor performance of these organizations could then be due to external environmental factors such as, technological, regulatory, cultural, and market competition. In view of this, the study sought to analyse the effect of external environment on organisational performance, using Assemblies of God Hospital, Saboba as the study area.

Purpose of the Study

The main purpose of the study was to analyse the effect of external environment on organisational performance, A case of Assemblies of God Hospital, Saboba.

Research Objectives

Specifically, the study sought; Many reduce to

1. To analyse the effect of political environment on organisational performance of Assemblies of God Hospital, Saboba.
2. To analyse the effect of economic environment on organisational performance of Assemblies of God Hospital, Saboba.
3. To analyse the effect of natural environment on organisational performance of Assemblies of God Hospital, Saboba.
4. To analyse the effect of technology environment on organisational performance of Assemblies of God Hospital, Saboba.
5. To analyse the effect of legal environment on organisational performance of Assemblies of God Hospital, Saboba.
6. To analyse the effect of competitive environment on organisational performance of Assemblies of God Hospital, Saboba.

Research hypothesis

1. There was no positive and significant relationship between political environment and organisational performance of Assemblies of God Hospital, Saboba.
2. There was no positive and significant relationship between economic environment and organisational performance of Assemblies of God Hospital, Saboba.
3. There was no positive and significant relationship between natural environment and organisational performance of Assemblies of God Hospital, Saboba.
4. There was no positive and significant relationship between technology environment and organisational performance of Assemblies of God Hospital, Saboba.
5. There was no positive and significant relationship between legal environment and organisational performance of Assemblies of God Hospital, Saboba.
6. There was no positive and significant relationship between competitive environment and organisational performance of Assemblies of God Hospital, Saboba.

Significance of the Study

This study will give the authorities a better knowledge, attitude and perception of risk of detection in the health sector regarding external environment. This will help inform the policy makers about ways to minimize the threats that comes with the external environment and also, ways to take the opportunities that the external environment provides.

Finally, the study will provide a platform for further research by research institutions and individuals into the above stated area. This would also help test the validity of findings.

Delimitations

This study assessed the external environment and its effect on the organisational performance. The study covered managers and stakeholders in the health sector, specifically, Assemblies of God Hospital, Saboba. Also, the study concentrated on seven external factors including competitive environment, legal environment, natural environment, social environment, technological environment, political environment, and economic environment.

Organisation of the Study

This study is organised into five main chapters. Chapter One presents the introduction, which entail the background to the study, statement of the problem, research objectives, hypotheses, significance of the study, delimitations, organisation of the study, and chapter summary. Chapter Two reviews various literatures relevant to this research project, covering the theoretical review, conceptual issues, empirical review, conceptual framework, lessons learnt from the literature review, and chapter summary. Chapter Three describes the research methods adopted for the study encompassing the research philosophy, research approach, research design, study design, population, sample size, sampling procedure, data collection instruments, data collection procedure, data processing and analysis, ethical consideration and chapter summary. Chapter Four considers the results and discussion, and Chapter Five finalises the thesis with the summary, conclusions and recommendations.

CHAPTER TWO

LITERATURE REVIEW

Introduction

This chapter presents a review of related studies on the topic “external environment and performance of Assemblies of God Hospital, Saboba”. The chapter is organized in various sections. First section presents a review of the theoretical reviews, the second section was also centered on the conceptual review where the concepts underpinning the study were explained and analysed. The third section of the chapter was also centered on the empirical reviews where the previous studies were explained and analysed. The chapter ended with a conceptual framework which showed the graphical relationship existing between the variables understudied.

Theoretical Review

This study used theoretical triangulation to explain the relationship between the variables of this study by making a connection between independent and the dependent variables of the study. The institutional theory was used to explain the relationship between the external environment and the organizational performance.

Institutional theory

The institutional theory was propounded by John Meyer and Brian Rowan in 1970s. Institutional theory is an approach to understanding organizations and management practices as the product of social rather than economic pressures. It has become a popular perspective within management theory because of its ability to explain organizational behaviors that defy economic rationality (Hillebrand, Nijholt & Nijssen, 2011).

Institutional theory provides insights into how organizations, such as hospitals, are influenced by and respond to their external environment. It suggests that organizations conform to and adopt the norms, values, and practices of their institutional environment to gain legitimacy and enhance their performance (Jan, Lu & Chou, 2012).

Institutional theory proposes that organizations strive for isomorphism, which refers to the similarity in structures, practices, and behaviors among organizations within the same institutional environment. Hospitals seek to conform to external expectations, such as industry standards, regulations, and professional norms, to enhance their legitimacy. By aligning with these institutional pressures, hospitals aim to improve their performance and gain acceptance from stakeholders, including patients, regulatory bodies, and funding agencies (Al-Twaijry, Brierley & Gwilliam, 2003).

Institutional theory identifies three main types of institutional pressures: coercive, mimetic, and normative. Coercive pressures arise from formal regulations and legal requirements imposed on hospitals. Mimetic pressures result from imitating successful practices and strategies observed in other hospitals or healthcare organizations. Normative pressures emerge from professional standards and societal expectations of how hospitals should operate. Hospitals respond to these pressures by adopting certain practices, structures, and behaviors that are perceived as legitimate, ultimately influencing their performance outcomes (Zsidisin, Melnyk & Ragatz, 2005).

Institutional theory emphasizes the importance of organizational legitimacy, which is the perception that an organization's actions and practices are appropriate, desirable, and aligned with societal norms. Hospitals strive for

legitimacy by conforming to the expectations of their institutional environment. Legitimate hospitals are more likely to attract patients, secure funding, and establish partnerships, which can positively impact their performance (Pillay & Kluvers, 2014).

Institutional theory highlights that organizations, including hospitals, depend on external resources, such as funding, skilled staff, technology, and relationships with other healthcare providers. Hospitals must navigate their external environment to access these resources and ensure their availability for optimal performance. By conforming to institutional expectations and norms, hospitals can enhance their resource acquisition and utilization, thus positively affecting their performance (Lin & Sheu, 2012).

Institutional theory recognizes the role of institutional entrepreneurs who challenge existing institutional arrangements and norms. These actors can introduce innovative practices and alternative approaches that may positively impact organizational performance. In the context of hospitals, institutional entrepreneurs may advocate for new healthcare delivery models, quality improvement initiatives, or patient-centered care approaches, which can lead to improved performance outcomes (Glover et al., 2014).

It is important to note that the relationship between the external environment and organizational performance of hospitals is complex and influenced by various factors beyond institutional theory. Other theories, such as resource-based view, contingency theory, and strategic management approaches, can complement institutional theory and provide a more comprehensive understanding of this relationship.

Conceptual Review

This section analyses and explain the concepts underpinning the study. These concepts include the environment, external environment and factors underpinning the external environment.

Business Environment

According to UBC Net Tutor Commerce (2008), environment is the sun total of conditions that surrounds us at a given point of time and space. It is comprised of the interacting systems of physical, biological and cultural elements which are interlinked both individually and collectively. It states further that environment is the sun total of conditions in which an organism has to survive or maintain its life process. It influences the growth and development of living forms. Environment refers to anything that immediately surrounds an object and exerting a direct influence on it. It consists of the interacting systems of business physical and cultural elements which are interlinked both collectively.

Blurtit (2013) also regards business environment as those conditions and forces which are eternal to the business and are beyond the individual business unit, but they all operate within it. Fernando (2011) regards business environment as external forces, factors and institutions that are beyond the control of the business and they affect the functioning of a business enterprise. These include customers, competitors, suppliers, government and the social, political, legal and technological factors etc.

Oyebanji (1994) defined business environment as those factors that can influence the individual's business organization. He stressed further by saying that every organization must take into consideration the environmental

constraints, material and human resources in their respective business in spite of their differences in status and that the effect of the environment carries from one situation to another. Business Environment have the following features: (a) Business environment is the sum total of all factors External to the business firm and that greatly influence their functioning. (b) It covers factors and forces like customers, competitors, suppliers, government and the social, cultural, political, technological and legal conditions. (c) The business environment is dynamic in nature, which means, it keeps on changing. (d) The changes in business environment are unpredictable. It is very difficult to predict the exact nature of future happenings and the changes in economic and social environment. (e) Business environment differs from place to place, region to region and country to country (Ogundele, 2012).

According to Adebayo et al. (2005) business environment can be broadly categorized into internal and external environment with the former comprising variables or factors within the control and manipulation of the firm to attain set objective while the latter encompasses factors that are outside the control and manipulation of the firm. Hence, firm must develop a plan that will help it to cope with the various environmental forces (Oluremi & Gbenga, 2011). Similarly, the nature of business environment is said to be classified as dynamic, stable and unstable which often help a firm in the selection of appropriate strategies (Ibidun and Ogundele, 2013).

Adeoye (2012) opined that in order for business to cope with the dynamic and rapidly changing business environment, there is a need to develop and implement appropriate strategies that would safeguard their operations and yield the desired results. Similarly, Ogundele (2005) added that

a firm perception of the nature of the business environment is a function of its size and industry.

Type of Environment

There are two types of environments, External environment and internal environment (Ogundele 2005). Internal environment includes situational factors within the organization. These factors are largely the result of decisions of the management process; it is described as the strengths, behavior, resources, and weaknesses within or internal to the organization. An organization consists of those things outside an organization such as customers, competitors, and government agencies, suppliers labour and financial firms. It consists of all elements existing outside the boundary of the organization. In this research, external environment was examined.

External Business Environment

The concept of external business environment is an attempt to understand the outside forces of the organizational boundaries of business (Shaikh, 2010). It consists of all elements existing outside the boundary of the organization, which have the potential to affect the organization. They are relevant to organizations operation and must be carefully monitored.

Dimensions of External Business Environment

This environment is typically composed of factors such as social values, political, economic, legal, behavior demographic, natural environment, technologies etc.

Economic Environment

At Segbua (2002) in his write up stressed much on the overall health of the economic system in which many organizations operate Ogundele (2005)

says that is vital concern to an organization. He further posits that the economic environment goes a long way to determine and define the opportunities for an organization; this is because an expanding economy provides operational scope for the organizational existence as well as for the establishment of new ones. However, a period of recession can bring about failures and probably liquidation of the organization, moreover during liquidity trap it can collapse the organization structure.

Nevertheless, the important economic factors which affect many businesses are inflation, interest rates and unemployment. Griffin (1997) emphasized on the overall health of the economic system in which many organizations operate. The important economic factors, which affect many businesses, are inflation, interest rates and unemployment. In order to recover such money, companies raise price of their product and the consumer demand will fall because they will be unwilling to pay more on a product. When there is high rate of unemployment, the company becomes selective in the recruitment of personnel and this could cause low production, which eventually makes the company to lose its customer's demand.

Ogundele (2005) says that economic environment is vital concern to any organisation. He further said that, the economic environment goes a long way to determine and define the opportunities for an organisation; this is because an expanding economy provides operational scope for the organizational existence as well as for the establishment of new ones. However, a period of recession can bring about failures and probably liquidation of the organisation. It is of paramount importance that the management should be able to distinguish between short-run phenomena and

more fundamental changes in its assessment of the overall economy. The political environment is viewed via the legal framework where the organisation operates and this is done through the laws and regulations that guides the operations of the business in question. The political stability of the environment is also a necessity for effective and efficient operation of the business. The management of the organisation must take cognisance of these constraints, actual and potential, and seek out the implications for the business organisation from legal advisers (Ogundele, 2005).

The economic situation in Ghana at some point has been hinted to be unfavorable for business activities. This could be true to some extent but the fact is that the present economic status of the country has some hope for the conduct of business. Dollar due the importations of some capital goods are left in the hands of particular individuals; it still has a fair day on the common businessman. Some economic factors affecting the Ghana business environment include economic growth, interest rates, exchange rates and the inflation rate. These factors have major impacts on how businesses operate and make decisions. For example, interest rates affect a firms cost of capital and therefore the extent to which a business grows and expands (Otokiti, 2005). Dollar exchange rates affect the costs of exporting goods and the supply and price of imported goods in an economy (Ogundele, 2015).

Political Environment

Ongeti (2014) observed that political factors are the government regulations on business political instability has ramification on planning, for example no organization want to setup business in another country where the trade relationship are not relatively defined and stable. A good instance is

2020 pandemic crisis that really affected many organizations due to policies implemented by the government in Ghana (Murgor, 2014).

According to Okeyo (2014), the implication of political environment to a business enterprise is that the risk emanating from it is a measure of likelihood that political events may complicate its pursuit of earnings through direct impacts (such as taxes or fees) or indirect impacts (such as opportunity cost forgone).

Political processes influence the activities a business organisation, these factors being restrictive in nature, tends to reduce the potential ability of a financial institution. As such, one of the important factors capable of influencing the political environment of a firm include; The political system of a country, its goals and stability, the political structure and ideology, the political philosophy of a country, that government's role in business, its policies and interventions in business development (Kazmi,2008). Over the years, government involvement in the affairs of business has steadily increased, because of the need to ensure adherence to high ethical principles in the conduct of business enforced by regulatory agencies.

Basically, business organization are mostly influenced by price control, valuation of imports and exports, trade practices, labeling, food and drug regulations, employment conditions, collective bargaining, competitive practices, and so on. The influence of regulatory agencies is pervasive, and an understanding of how they operate is essential to protecting business interest and the advancing of new programs to achieve higher performance. Importantly, understanding the complexity of the legal environment is very important to avoid situations of ineffectiveness. In particular, a business

industry has to be aware of the regulation on doing business, the protection against patents and trademarks, changes in taxation, such as corporation tax, capital gains tax, value added tax, etc., legislation to control companies, monopolies, mergers and restrictive practices. In the context of Ghana, the government is characterized by constant changes in leadership, which most often result in constant changes in policies.

Political stability is one of the main components in the list that has impact on the organization. In-order to have a stable development, the organization should focus on the flexibility with the changes that is going to happen in the external environment of the organization. For example, Rudaw News Agency published an article on (Crude oil price is behaving like a global tornado) the author mentioned: “The issue here is not just oil price, but the lack of (or none) money from Baghdad” (Duhra, 2016). By that we can see the political instability also is another big issue that the organizations will face in Kurdistan region market environment.

Technological Environment

Technology is understood as the systematic application of scientific or other organized knowledge to practical tasks. Technology changes fast and to keep pace with it. Businessmen should be ever alert to adopt changed technology in their business. As we discussed in the social component of the PESTLE analysis technique the community need for technology, we focus on the competitiveness between the organizations while they are competing each other for the most updated information to provide the best product for the customers. This is different than the social need, because this one concentrates on the external environment of the organization in term of competing other

organizations. Organizations should be ready always for the changes that are happening in the technological approaches in the world in-order to continuing their adaptation with the external environment or at least stay in the market competing with other organizations as a sign of adapting themselves with the changes (Zalengera, Blanchard, 2014).

According to McNamara and Watson, 2005:184-190, technology can be defined as the totality of means – means such as knowledge, methods, materials, and tools used to achieve practical outcome. A way for the company to establish work methods, work patterns, and information structures. It is the tools and the means, but not the primary goal or result to be pursue. Technologies have the potential to improve speed, quality and efficiency. In the mainstream of modern culture, technology is considered to be one of the answers to most problems and/or restrictions in business. It is seen as the way that a business can emerge from the past and enter a brighter, more efficient future. There are many and various technologies that could be addressed in terms of benefiting hospitals. For this research, only a specific few will be dealt with in terms of those that are considered to be leading edge and most appropriate for hospitals.

Many organisations have a very local flavour to technology and they do not see the “need for connectivity”. They address the needs of a very local market and do not recognize any need for expanding their current operations technologically. These businesses do know that adapting new technologies will further benefit their current business model because most of their businesses are done within a small community and their customers rely fully on them for service and product guarantee. Some small business owners or

managers are reluctant to enter the technology scene because they are uncertain of the security and privacy concerns that are almost certain to occur. For such business owners, the idea of e-commerce in any shape is too risky for their business. The idea of Internet related business activities or electronic data is not a necessary thing but something to be avoided at all costs. Other issues relate to the lack of Information Technology professionals, because technology industry seems to be so complicated, there are many companies who do not engage in new technologies due to lack of the expertise on their staff to handle the potential problems that might arise.

Mihyo (2014) posits that ‘budget for the technology’ as seen to be quite expensive and also ‘lack of proper infrastructure’ (incompatibility between the old and new technology). Available technologies for hospitals are Voice over Internet Protocol (VoIP) which is a technology that “allows you to make telephone calls using a computer network, over a data network like the Internet (Chandler, 2005:32-68), Highly advance X-Ray Machines and other hospital equipment. The major benefit of VoIP is that it takes what would otherwise be a long-distance call and makes it a local call. The reduction in cell phone bills alone for one company can make up for the costs of implementation. There are several different technologies that fall under the category of data protection. For those networks that are linked both internally and externally, a firewall is necessary to keep would be hackers and pilferers out.

Social and Culture Environment

It refers to people’s attitude to work and wealth, role of family, marriage, religion and education (Tacheva, 2007). The social environment of

business includes social factors like customs, tradition, values, beliefs, poverty, literacy, life expectancy rate etc. Ajonbadi (2017) the social structure and the values that a society cherishes have a considerable influence on the functioning of business firms. For example, during festive seasons there is an increase in the demand for new clothes, sweets, fruits, flower etc. Due to increase in literacy rate the consumers are becoming more conscious of the quality of the products. Due to change in family composition more nuclear families with single child concepts have come up. This increases the demand for the different types of household goods.

It may be noted that the consumption patterns, the dressing and living styles of people belonging to different social structures and culture vary significantly. Ghana is a nation with diverse cultures and a multiethnic background. These connotations have their own spell on the activities that go on in the Ghana business environment. These are the social and cultural aspects and include health consciousness, population growth rate, age distribution, career attitudes and emphasis on safety nets. Trends in social factors affect the demand for a company's products and how that company operates. There are many strong factors which ensure a successful business in the country and abroad.

Furthermore, social considerations include protecting the health and safety of the general population, avoiding harm to the natural environment, developing and deploying ethical standards and practices, meeting cultural and social norms, balancing interest of the business with the interests of the society, and being a proactive entity. The culture of a people will go a long way to influence the kind and pattern of business activities to engage in hence

the impact of culture on the Ghanaian business environment. The culture in river areas may permit the trading of fish and other sea or river products. This is not the case of north where the culture makes way for the cultivation or trading off arm produces such as yam, garlic etc.

Social environment includes customers, moral, values, rules, and demographically characteristics of the society in which the organization function. Ethical behavior process is important because it determines the product, services and the level of conduct that the society is likely to get it allows for a cordial relationship between management, workers and their customers. Oyebanji (1994) said that behavior is interwoven with each other and it is difficult to distinguish individuals and their behaviour, that the attitude of individuals differs in work habit, risk taking, introducing or accepting challenges, assess the level of authority, material again. Ethnical heritage manifest itself in certain behavioural patterns being observed in business operation.

Furthermore, these factors shave direct bearing on the demand for agricultural products for instance a country where population rates is high and children constitute a large section of population, then there is more demand for baby food products. Similarly, the demand of the people of cities and towns like Lagos, Ibadan, and Port-Harcourt are different from the demand of the people of rural areas. Thus, an agro business enterprise owner keeps a watch on the changes on the demographic front and reads them accurately in order to land opportunities knocking at its doorstep (Shaikh, 2010).The demographic structure in Ghana in places like Lagos, Abuja, Port Harcourt have high population or demographic density. This makes business activities to flourish

in such areas. In fact this shaves almost the highest concentration of industries. This makes case for the influx of people and business activities around there. There is a positive point when it comes to obtaining labour force for new and existing businesses in the country. But on the other hand, the large workforce or population makes the conduct of business to be very tight. This is so because there will be too many sellers or service providers in the environment and this will affect the conduct of business in the Ghana environment.

Organizational Performance

Organization could be defined as two or more people engaged in a systematic effort to produces goods or services. Organizations need to be efficient in doing the right things in the optimum use of their resources and in the ratio of output to input. But organization must also be effective in doing the right thing and in their output related to some specific purpose performance is related to goals of the organizational and the information and formal goal of all its individual participants, including managers (Garino & Martin, 2007). Organizational performance involves using of resources wisely to avoid wastage. Given by the interaction between organizations and environment, it follows that performance relates to how an organization reacts, understands and influence to certain environment changes. Unfortunately, people do not want to perform those duties without a concession.

For example, they can perform their duties in short time if well planned. The need to take account of external environment variable must not be forgetting. Performance could be related to some such factor as increasing profitability, increase service delivery or obtaining the best result in important area of organizational activities. Satisfaction is an important result of

performance (Ruby, 2002). The idea of organisation performance is hanged on the position or premise that is a combination of productive assets made up of human, physical and capital resources, for mayor reasons of fulfilling and to accomplish organization goal (Jones & George, 2009).

Otokiti (2010) defined performance as the willingness of an individual to carry out the goals and objectives of an organization. Organization performances is however, defined as a group of people that come together and are willing to carry out goals and objective and planned or strategize. Organization performance is the ability of group of individuals to achieve certain of specific goals (Machuki, 2015).

Organisational performance has been taught with many conflicting definitions and it is not a new phenomenon among the academics and the industrialists as well as public institutions. Organisational Performance has been a source of influence to the actions taking by companies and the degree to which an organization realizes its goals as well as the stated objectives of the organisation through the strategies and policies of the organisation (Folan & Browne, 2005; Etzioni, 1964). The idea of organisational performance is hanged on the position or premise that it is a combination of productive assets made up of human, physical, and capital resources, for the major reason of fulfilling a dream, vision or accomplishing a shared purpose (Barney, 2002; Carton & Hofer, 2006). Organisational performance is also viewed as the measure of how a manager utilizes the resources of the organisation efficiently and effectively to accomplish the goals of the organization as well as satisfying all the stakeholders (Jones & George, 2009).

In their own contribution, Richard et al. (2009) described Organisational performance as the real output measured against the intended or expected output. They viewed organisational performance as a term that is made up of three major areas of firm outcomes and these three areas are:

- Financial Performance that is made up of profits, return on assets (ROA), return on investment (ROI) etc.
- Product Market Performance such as sales, market share, etc.
- Shareholders return such as total shareholder return (TSR), economic value added (EVA).

Selden & Sowa (2004) looked at organisational performance as what is designed to assume that organisations are to accomplish certain goals that are both specified intrinsically and implicitly. Perrow (2018) distinguishes between two kinds of organisational goals, official goals which are the general purposes of the organisation's founders and leaders, while the operative goals designate the end sought through the actual operating policies, the modifications and subversions of these ends by personnel in decision making positions and by the forces of pressure from the external environment.

Kast and Rosenzweig (2015) argued that performance is a function of ability, effort and opportunity. Ability is dependent upon knowledge and skills and technological capabilities that provide an indication of range of possible performance. Effort is a function of needs, goal- expectation and rewards and it depends on the degree to which individuals and/or groups are motivated to aspirant effort. Opportunity must be provided by the managers for individual's ability and effort to be used in ways that will result in the achievement of goals.

Organisation performance can be summarised to be an approach used in assessing the progress made toward goals, identifying and adjusting factors that has limit the progress of the organisation in a competitive environment.

Types of organizational performance

Organizational performance can be evaluated and measured in various ways, depending on the specific context and objectives of the organization. Here are some common types of organizational performance measures:

Financial performance: Financial performance measures assess the organization's financial health and success. These measures may include metrics such as revenue, profit margins, return on investment (ROI), earnings per share (EPS), cash flow, and market value.

Operational performance: Operational performance measures focus on the efficiency and effectiveness of an organization's operations. Key metrics in this category may include production output, quality levels, cycle time, customer satisfaction, on-time delivery, and process improvement.

Customer performance: Customer performance measures gauge the organization's ability to satisfy and meet customer needs and expectations. These measures can include customer satisfaction surveys, customer retention rates, customer loyalty, customer complaints, and Net Promoter Score (NPS).

Employee performance: Employee performance measures assess the performance and productivity of individual employees or the overall workforce. Metrics in this category may include employee turnover rates, absenteeism, employee engagement, training and development, and performance appraisal results.

Innovation performance: Innovation performance measures evaluate an organization's ability to generate and implement new ideas, products, services, or processes. Metrics can include the number of new product launches, patents filed, research and development expenditure, and the success rate of innovation projects.

Social and environmental performance: Social and environmental performance measures focus on the organization's impact on society and the environment. Metrics in this category can include energy consumption, carbon footprint, waste management, employee diversity, community involvement, and corporate social responsibility initiatives.

Strategic performance: Strategic performance measures assess the organization's progress toward achieving its strategic objectives and goals. These measures can include market share, new market entry, customer acquisition, strategic partnerships, and the achievement of key milestones

Stakeholder performance: Stakeholder performance measures evaluate the organization's relationships and interactions with various stakeholders, such as shareholders, employees, customers, suppliers, and the community. Metrics can include stakeholder satisfaction, stakeholder engagement, and reputation management.

Variables of Organisational Performance

Organizational performance is a complex and multifaceted concept, and it can be measured and evaluated through various variables. Four key variables that are commonly used to assess organizational performance are:

- Financial Performance:

Financial performance is a crucial variable that assesses how well an organization is managing its resources and generating profits. Key indicators of financial performance include:

- Revenue: The total income generated by the organization.
 - Profitability: The ability to generate profits, which can be measured through metrics like net profit margin, return on investment (ROI), or earnings per share.
 - Cost Management: How efficiently an organization controls its costs and expenses.
 - Liquidity: The organization's ability to meet short-term financial obligations.
- Customer Satisfaction:

Customer satisfaction is a vital indicator of how well an organization is meeting the needs and expectations of its customers. Satisfied customers are more likely to be loyal and generate repeat business. Variables related to customer satisfaction include:

- Customer feedback and surveys.
 - Net Promoter Score (NPS).
 - Customer complaints and issue resolution.
- Employee Engagement and Productivity:

The performance of an organization is significantly influenced by the engagement and productivity of its employees. Satisfied, motivated, and engaged employees tend to be more productive and innovative. Variables related to employee engagement and productivity include:

- Employee satisfaction surveys.

- Employee turnover rates.
- Absenteeism.
- Employee performance metrics.
- Operational Efficiency and Effectiveness:

Operational efficiency and effectiveness refer to how well an organization manages its processes and resources to achieve its objectives.

Key variables in this category include:

- Process efficiency and cycle times.
- Inventory turnover rates.
- Quality and error rates.
- Resource utilization and allocation.

It's important to note that these variables are often interconnected, and improvements in one area may have a positive impact on others. For instance, improving employee engagement can lead to better customer service and, in turn, higher customer satisfaction. A holistic approach to assessing organizational performance considers a combination of these and other relevant variables to gain a comprehensive view of how an organization is functioning and where improvements may be needed.

Empirical Review

Adeoye and Elegunde (2018) studied Impacts of External Business Environment on Organisational Performance in the Food and Beverage Industry in Nigeria. The specific objective of the study is to investigate the influence of economic and political environment on organisational performance. A questionnaire was developed to collect information from the respondents based on a sample of 3 companies with 150 sample size. Data

collected were analyzed using multiple regression analysis. The findings of the analysis shows that the external business environment (political, economic, sociocultural, technological, etc.) have impact on organisational performance (effectiveness, efficiency, increase in sales, achievement of corporate goals etc.). It was thus recommended that organisations should pay more attentions to their environment by doing periodic scanning.

Mai and Phuong (2019) studied The Impact of External Environment, Technology and Innovation Capacities, and Leadership Development on Organizational Performance in Food Industry: A Qualitative Study of Food Enterprises in Ho ChiMinh City, Vietnam. The study investigates the current issues for conducting technology transfer and innovation processes at food processing enterprises in Ho Chi Minh city, Vietnam. By conducting an extensive qualitative study comprised of 8 in-depth interviews with Executive Managers and research and development managers, we identify seven main themes that emerged from the data concerning the specific contents for food processing enterprises. Correspondents described how the relative issues of externals, capacities, leadership in their organizations contribute to technology transfer and innovation effectiveness, and in turn lead to sustainable performance. In addition, respondents also noted challenges associated with implementing technology transfer projects. Based on prior studies and these challenges, we propose a conceptual model of innovation process and technology transfer in food processing enterprises as influenced three main factors - external environment, technology transfer and innovation capacities, and leadership. Changes in any of the three factors can potentially influence

both technology transfer and innovation effectiveness and overall organizational performance.

Bojan and Zoran (2019) studied Analysis of external environment's Moderating Role on the Entrepreneurial Orientation and Business Performance Relationship among Italian Small Enterprises. According to the author, scientific research of entrepreneurship has produced the concept of entrepreneurial orientation, which has grown into one of the most important factors when it comes to management research. Thus, the study explored relations between the constructs of entrepreneurial orientation and business performance in small companies, as well as the moderating effects of external environment factors.

Findings of the study indicate that relationship between the entrepreneurial orientation and performance is extremely complex because it is moderated by many internal and external factors. Although a lot of research on the topic has already been done, global changes condition the necessity for new findings in light of these changes. In order to gain new insights, authors conduct primary research.

Sofyan and Ina (2020) studied Internal and External Environment Analysis on the Performance of Small and Medium Industries (SMEs) In Indonesia. The researchers indicated that many countries around the world make the construction and development of Industrial Micro, Small and Medium Enterprises as one of the crucial driving forces for economic growth of their country. One of the characteristics of the dynamics and good economic performance with high growth rates in the countries of East and Southeast Asia is a performance Industrial Micro, Small and Medium

Enterprises highly efficient, productive, and has a high level of competitiveness. The existence of industrial Micro, Small, and Medium Enterprises is essential for the economic stability of a country.

This industry has a role in facilitating the development of the global economy, because this sector is seen to provide an important contribution in the transition to a market economy through the process of creativity, encourage the advancement of technology, organizational innovation, change, job creation, income generation, economic competitiveness, and other aspects of social development in general, and industrial expansion, in particular. The theoretical results showed that internal and external environment analysis have a significant effect on the performance of small and medium industries (SMEs) in Indonesia.

Heather, (2020) studied External Environmental Analysis for Small and Medium Enterprises (SMEs). According to the researcher, Small and Medium Enterprises (SMEs) face unique challenges in the business environment. SMEs need to successfully deal with the prevalent forces or change if they are to survive and grow and meet the expectations to create investment and employment opportunities. Successfully adapting to change from technological advances, customer expectations, supplier requirements, the regulatory environment and increasing competition requires successful implementation of organizational change. The 'Degrees of Turbulence' Model is proposed as a self-assessment tool to aid SMEs in their environmental scan and to assist in assessing the potential impact and adjusting to the impending changes in the external environment to ensure continued viability

Shah and Mohammed (2021) studied Effects of Internal and External Factors on Internet-Based Digital Technology Usage by SMEs in a Developing Country. This study analyses the effects of culture and environment on the adoption and use of Internet based digital technology (IBDT) by small and medium sized enterprises (SMEs) from a developing country perspective. A structural equation modeling was employed within mix method research setting with a cross-sectional dataset of 557 SMEs in Bangladesh. The study reveals a significant association of normative pressures, coercive pressures, power distance, in group collectivism, Bengali values, perceived usefulness, and perceived ease of use with SMEs intention to use IBDT while intention significantly affects actual usage behavior.

Conceptual Framework

This section analyse how the variables are linked to one another. External Environment was demarcated into seven components. These components included the political environment, social environment, technological environment, and economic environment. These components of the external environments were linked to the organisational performance. This is shown in Figure 1.

External Environment

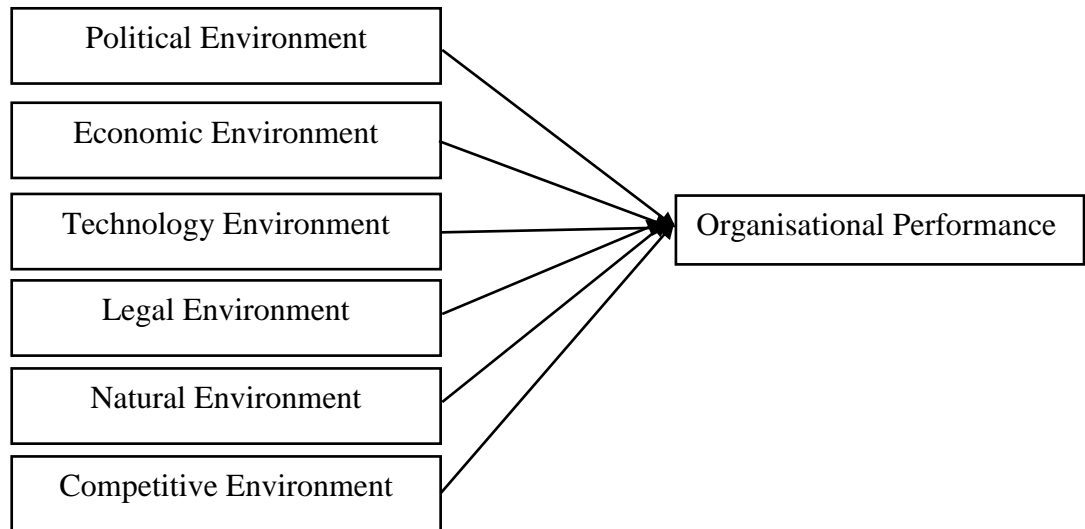


Figure 1: Conceptual Framework
Source: Authors Construct (2023)

Chapter Summary

This Chapter analysed the theoretical framework, underpinning this research. The concept within the study was explained from other researchers' perspective. The empirical review of other researchers was also analysed in order to identify the results from other research on the subject matter.

CHAPTER THREE

RESEARCH METHODS

Introduction

The study analysed the influence of External Environment and performance of Assemblies of God Hospital, Saboba. This chapter analyses the approach and the design that was employed in achieving the study's objectives. The study area, population, sample size and sampling approach has also been explained under this chapter. The data collection approach and instrument were also explained under this chapter. Finally, the data processing and analysis and the ethical consideration underpinning the study was also explained.

Research Design

This research used the quantitative approach to describe the effect of external environment and performance of Assemblies of God Hospital, Saboba. Quantitative research approach allows the researcher to collect and analyze data quantitatively in order to achieve its purpose. This approach makes it suitable for examining relationships, its strength and magnitude likewise the effect or impact a variable has on another. Also, the approach ensures generalizations of the study's outcomes since the views are more objective than being subjective (Creswell & Creswell, 2017). Therefore, the researcher considered quantitative analysis to be the appropriate approach for the study.

Quantitative research enables the researcher to collect vast amounts of data rapidly and efficiently (Ho, 2015). This provides a broader view of the target demographic population than the survey participants (Saunders, et. al.,

2016). A complete set of quantitative survey results aids in generalising the conclusions of a study to the study population. According to Creswell and Creswell (2017), a quantitative questionnaire can be anonymous, allowing respondents to address delicate topics with complete candour.

Saunders, Lewis and Thornhill (2003) identified three main types of research designs. These included explanatory, exploratory and descriptive design. Exploratory research is usually conducted when a researcher has just begun an investigation and wishes to understand the topic generally. The exploratory usually considers the feelings and emotions of the respondents. Descriptive research aims to describe or define the topic at hand. Finally, explanatory research aims to explain why particular phenomena work in the way that they do. In other words, it analyses the causal relationship between the underlining variables. The purpose of the study was to describe how external environment affects performance of Assemblies of God Hospital, Saboba. In view of this, descriptive research design was deemed to be appropriate for the study.

Study Area

Assemblies of God Hospital, Saboba (formerly Saboba Medical Center) has an inpatient capacity of around 100 beds. Our regional capital of Tamale is fairly centrally located and we are 110 miles from Tamale or about 3 hours' drive. Saboba, the Capital of the Saboba-Cheriponi district of the Northern Region, is a rural sub-Saharan village, on the Ghana-Togo border. The inpatient wards include: pediatric, women, maternity, men wards, and an operating theatre where major and minor operations are performed. There is an active Eye Unit with regular outreaches by a highly skilled ophthalmologist, as

well as have a very active Mental Health Unit with 3 Mental Health nurses. Additionally, a Nutrition Unit is under development. One of the staff just completed training as a nutritionist at the College of Health and Well-Being in Kintampo. Short-term volunteers are reviewed and accepted on a case-by-case basis depending on facility needs and skill sets of the volunteer. The staff often serve as faculty in established training programs and residencies raising up the next generation of health professionals. Others train national staff in less formal environments. Building local capacity is central to the identity of the Christian Health Service Corps, therefore the hospital actively seeks out places where they can have a lasting impact by discipling, and training local Christian physicians and health professionals to serve in their own communities.

Population

Saunders et. al. (2003) explained population as the entire group that the researcher wants to draw conclusions about. The population of this study consisted of all the employees at Assemblies of God Hospital, Saboba. The target population for this study consists of all the 268 workers in the various departments in the Assemblies of God Hospital, Saboba.

Sample Size and Sampling Procedure

This study employed a stratified random sampling technique to select respondents, to be included in the study. According to Crotty (1998), the stratified sampling method is a technique that recognizes subgroups in the population and their proportions, and picks an equivalent proportion from each sub-group to form a sample. The Assemblies of God Hospital, Saboba consists of different departments performing different functions and functioning

together as one. The effect from the external environment affects every department differently. This called for the use of stratified sampling Technique.

The stratified sampling helped to group the various respondents into homogeneous sub-sets that shared a similar characteristic and ensured equitable representation of each stratum in the sample (Saunders et al 2016). It depended on the characteristics of the population to group it into sub-groups. The group was formed in a way that all the elements in each sub-group are of similar characteristics. The main aim of this sampling method was to make sure that the differences in the various sub-groups are accounted for (Saunders et al, 2016). In this study, the basis for stratification was departments.

Based on the population size, the appropriate sample size was determined using Krejcie and Morgan (1970) table. Based on the Krejcie and Morgan (1970) table, the appropriate sample size for a population size of 268 is 159. The study therefore used a sample size of 159. Table 1 shows the proportional distribution of the sample size and the population size.

Table 1: Sample Size

No	Department	Population	Sample
1	Finance Department	76	45
2	Administration/Human Resource Department	21	12
3	Nurses and Doctors	119	71
4	Others	52	31
Total		268	159

Source: Authors Construct (2023)

Source of Data

According to Harris et al. (2019) explained that there are two main sources of data for every study. These sources can either be the primary source or the secondary source. Primary source is the firsthand source of data for the study. Secondary data refers to data that is collected by someone other than the primary user. Firsthand information was retrieved from the study's sample.

Data Collection Instrument

This study used a questionnaire as the main tool for data collection. The questionnaire was used because it was suitable for collecting data from a large population, which is literate and for information which could easily be described in writing (Saunders, et. al., 2016). The population of employees from the Assemblies of God Hospital, Saboba was relatively large, with the majority of them being able to read and write. The study was also interested in external factors affecting the hospitals performance, which could easily be described in writing. The choice of the data collection tool was also consistent with similar studies conducted by other researchers in other locations (Plonsky, 2017).

The instrument consisted of a multidimensional 35-item scale developed by (Pitney, Mazerolle, & Pagnotta 2011), which reflected each of the seven types of external environment (political environment, natural environment, social environment, economic environment, technological environment, competitive environment and legal environment). On a scale from 1 (strongly disagree) to 5 objects are ranked (strongly agree). The scale of organisational performance comprised of 8 elements designed by Bhatti and Qureshi (2007) to measure employee productivity. The instrument contained

another five (5) items which measured the demographic characteristics of the respondents.

The questionnaire was appropriate because of standardized nature of the study. Questionnaires allow researchers to collect data in a standardized and consistent manner. The questions are carefully constructed and pretested to ensure clarity and accuracy. This standardization helps ensure that all participants receive the same set of questions, reducing potential biases and variations in data collection. Also, questionnaires provide a level of anonymity to respondents, which can encourage more honest and open responses, especially when dealing with sensitive or personal topics. Participants may feel more comfortable disclosing information through a questionnaire compared to face-to-face interviews or focus groups.

Data Collection Procedure

A letter from the University of Cape Coast's Department of Management was sent to the Assemblies of God Hospital, Saboba in order to seek permission for the data collection exercise from the institution's authority. The authorities then informed its workforce about the intended study. The purpose of the study was explained to all participants. Date for questionnaire distribution to the participants were set on an agreed term. The questionnaire was to be self-administered to the respondents. In all, 159 questionnaires were issued to the respondents and the respondents provided the information needed accurately.

Data Processing and Analysis

According to Adèr and Mellenbergh (2008) analysis of data obtained for research is a method of editing, cleaning, transforming, and modeling data

to take out useful information, suggestions, conclusions, and supporting decision making. The questionnaires were coded before keying the data into Statistical Package for Social sciences SPSS (version 25.0) for analysis.

Data collected for this study were analyzed using Statistical Package for Social Sciences (SPSS) in performing descriptive statistics and inferential analysis (correlation and multiple regressions). The descriptive statistics computed included frequency, percentages, mean, and standard deviation. All data were analyzed at a confidence level of 95% or $\alpha = .05$, as the minimum requirement in all business researches.

Validity

Validity is the degree to which a research result for the whole population may be generalized. Zikmund (2000) defines the validity of analysis as the degree to which analysis tools assess what they are meant to test. To ensure validity of questionnaires, the researcher reviewed other relevant literature and those literatures supported the construct of the instrument. Some of the items in the scales were scientifically validated items. Further, the designed questionnaire was submitted to the project supervisor for vetting, correction, and approval before distributed to the respondents.

Reliability

Reliability applies to the reproduction and continuity of a sample to an earlier study (Saunders, et. al., 2016). Some of the reliability threats that was encountered in this study included participant error and participant bias. Saunders, et. al., (2016), described participants' error as any element which unfavorably modifies how a participant responds to an item on the instrument. On the other hand, participant bias could be any element which influences a

respondent to produce a dishonest response (Saunders, et al., 2016). To avoid these problems, the researcher planned to distribute the questionnaires to respondents, for them to answer privately and at their sober moments. The reliability of the constructs that made up the scale were measured with the internal consistency approach (Cronbach's Alpha). A Cronbach's Alpha showed internal consistency. Pallant (2005) stated that if the constructs have a Cronbach Alpha of 0.7 and above, the scale is considered as being reliable.

Ethical Considerations

A researcher needs to put human dignity first in an attempt to acquire knowledge (William, 2011). The researcher, therefore, wishes to put in place measures that ensured respect for human dignity and ethical principles. The privacy of respondents and the confidentiality of the answers given were of significant ethical concerns to emerge in this report. As a remedy, items on the research instrument were designed to provide only information related to this research. Respondents were also allowed to ignore items they were uncomfortable with. Finally, respondents were advised not to provide their names or any inscription that may identify them on the research instrument.

Chapter Summary

This chapter analysed the research method employed under the study. The study used the explanatory research design by employing the quantitative approach. Also, out of a population of 268, a sample size of 159 were extracted. The stratified sampling technique was employed in the data collection. The study's objectives were achieved by using the descriptive statistics and the multiple regression. The Social Package of Social Science was employed in the data analysis.

CHAPTER FOUR

RESULTS DISCUSSION

Introduction

This study sought to examine the effect of external environment and performance of Assemblies of God Hospital. This chapter presented the results and discussion of the study. In addition, the chapter covered the analysis and findings of the research using both descriptive and inferential statistics. Specifically, the characteristics of the respondents were discussed.

Demographic Characteristics

This section analysed the demographic characteristics of the respondents. Gender of respondents, age of respondents, educational level of respondents, length of service of respondents and rank of respondents were examined under this section. The demographic characteristics of the respondents has been presented on Table 2.

Table 2: Demographic Characteristics

Variable	Frequency	Percent
Gender		
Male	98	61.6
Female	61	38.4
Age		
21-30 years	67	42.1
31 - 40 years	45	28.3
41 - 50 years	39	24.5
51 to 60 years	8	5.0
Highest Level of Education		
SHS/SSS	27	17.0
Diploma	69	43.4
First Degree	44	27.7
Postgraduate	19	11.9
Length of Service (in years)		
Less than 5	16	10.1
6 to 10 years	37	23.3
11 to 15 years	68	42.8
16 to 20 years	21	13.2
above 20 years	17	10.7
Rank		
Junior	56	35.2
Senior	103	64.8
Total	159	100.0

Source: Field Survey

From Table 2, out of 159 respondents, 98 of the respondents were males. This represented 61.6 percent of the respondent. Sixty-one (61) of the respondents were female. This also represented 38.4 percent of the respondents.

Sixty-seven (67) of the respondents were between 21 to 30 years old. This represented 42.1 percent of the respondents. Forty-five (45) of the respondents were between 31 to 40 years. This represented 28.3 percent of the respondents. Thirty-nine (39) of the respondents were between 41 to 50 years. This represented 24.5 percent of the respondents. Eight (8) of the respondents were between 51 to 60 years. This also represented 5 percent of the respondents.

Sixty-nine (69) of the respondents were holding diploma. This represented 43.4 percent of the respondents. Forty-four (44) of the respondents were holding first degree. This represented 27.7 percent of the respondents. Twenty-seven (27) of the respondents were holding SHS/SSS. This represented 17 percent of the respondents. Nineteen (19) of the respondents were holding postgraduate certificate. This represented 11.9 percent of the respondents.

Sixty-eight (68) of the of the respondents had 11 to 15 years working experience. This represented 42.8 percent of the respondents. Thirty-seven (37) of the respondents had 6 to 10 years working experience. This represented 23.3 percent of the respondents. Twenty-one (21) of the respondents had 16 to 20 years working experience. This represented 13.2 percent of the respondents. Seventeen (17) of the respondents had more than 20 years working experience. This also represented 10.7 percent of the respondents. Finally, only sixteen (16) of the respondents had less than 5 years working experience. This represented 10.1 percent of the respondents.

One hundred and three (103) of the respondents were senior staffs which represented 64.8 percent of the respondents. Fifty-six (56) of the respondents were junior staff. This represented 35.2 percent of the respondents.

Assessment of Measurement Models for the Study

The measurement models that were used for the investigation are the primary emphasis of this section. The evaluation of the indicator loadings comes first in this part of the section. Indicator loadings, internal consistency reliability (also known as composite reliability), convergent validity (AVE-

average variance extracted), and discriminant validity are some of the aspects of the measurement model that are evaluated throughout the process (Fornell-Lacker and HTMT). In order to provide indications for the evaluation of the measurement model, a dependable PLS algorithm was put through its paces. The findings are summarized in the tables that are shown below.

Assessing Indicator Loadings

The data in Table 3 reveals that some of the indications have been removed. In order to make the overall model more reliable, we eliminated any and all indicators that had a loading score lower than the suggested threshold of 0.7, which was established by Hair et al (2016). 48 of the 50 measurement items scored significantly over the threshold, which was established at 0.7, while all of the ones that fell within the individual variables were kept.

Table 3: Cross Loadings

	Econs	Innos	Legal	Low turn.	Nat	Polit	Quick service delivery	Tech	compe	efficiency
CE1									0.824	
CE2									0.934	
CE3									0.799	
CE4									0.815	
CE5									0.845	
EE1	0.85									
EE2	0.932									
EE3	0.948									
EE4	0.917									
EE5	0.803									
EFFI1										0.945
EFFI2										0.947
EFFI3										0.922
EFFI4										0.956
EFFI5										0.963
INO1		0.961								
INO2		0.959								
INO3		0.967								
INO4		0.966								
INO5		0.972								
LE1			0.924							
LE2			0.958							
LE3			0.965							
LE4			0.922							

LE5	0.935			
LT1		0.952		
LT2		0.956		
LT3		0.964		
LT4		0.94		
LT5		0.95		
NE2			0.865	
NE3			0.979	
NE4			0.819	
PE1				0.819
PE2				0.919
PE3				0.874
PE4				0.929
PE5				0.879
QSD1				0.937
QSD2				0.96
QSD3				0.971
QSD4				0.951
QSD5				0.955
TE1				0.841
TE2				0.976
TE3				0.855
TE4				0.872
TE5				0.806

Source: Field Survey (2023)

Surprisingly, all the indicators used to measure competition environment, economic environment, efficiency, innovation, legal environment, low turnover, political environment, quick service delivery, and technological environment loaded above the threshold of 0.7 (Hair et al., 2017). Three (3) out of five (5) indicators loaded above the threshold of 0.7. The two indicators that failed to meet the threshold was dropped.

Assessing Internal Consistency Reliability

In this particular investigation, the composite reliability was used in order to determine the level of internal consistency and dependability possessed by the various structures. Cronbach's alpha is not the most effective way to quantify internal consistency; the composite reliability is a more acceptable metric (Rossiter, 2002). According to the findings shown in Table 4, which show that all of the latent variables investigated in this research are trustworthy since their loadings were all very close to the 0.7 criterion. Natural environment had the highest composite reliability (0.987). The second indicator with a higher composite reliability was innovation. This had a composite reliability of 0.981. quick source had a composite reliability of 0.976 which was the next variable with a higher composite reliability. Efficiency had a composite reliability of 0.972. This was the next variable with least composite reliability. Legal environment had a composite reliability of 0.968. Competitive environment had a composite reliability of 0.934. This was an item with the least composite reliability. In addition, the findings of the convergence validity are shown in Table 4.

Table 4: Validity and Reliability

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Economic	0.942	0.955	0.951	0.795
Innovation	0.981	0.981	0.985	0.931
Legal	0.967	0.968	0.975	0.885
Low turnover	0.974	0.974	0.98	0.906
Natural	0.901	0.987	0.919	0.792
Political	0.935	0.937	0.947	0.783
Quick service delivery	0.976	0.976	0.981	0.911
Technology	0.936	0.934	0.94	0.76
competitive	0.917	0.882	0.926	0.714
efficiency	0.971	0.972	0.977	0.896

Source: Field Survey (2023)

Before a data collection instrument can be considered dependable, Cronbach (1951) suggests that its Cronbach alpha value should be at least 70 percent. According to the findings shown in the table that is located above, the levels of reliability achieved were higher than those considered to be acceptable (Cronbach's alphas $>.70$, Average Variance Extracted $>.50$, and composite reliability $>.70$), as suggested by researchers (Fornell & Larcker, 1981). In addition, the factor loadings, which ranged from 0.7 and above, demonstrated high convergent validity. The discriminant validity of the measurement model was also evaluated as part of the overall evaluation process.

Assessing Discriminant Validity

In order to establish discriminant validity, a construct has to demonstrate that it is singular and can reflect phenomena that are not captured by any of the other constructs in the model (MacKinnon, 2008). In order to determine the discriminant validity of the HTMT and the Fornell-Lacker criterion's results, this research was carried out. The Fornell-Larcker criteria is a comparison that is made between the square root of the AVE values and the correlations of the latent variables (Fornell & Larcker, 1981). To be more specific, the square root of the average variance explained for each construct need to be higher than the greatest correlation it has with any other construct (Hair et al, 2013). According to the findings in Table 5, the square root of each variable has a correlation that is much higher than its correlations with the other constructs that were investigated in this research. This indicates that every construct is one of a kind and that no two constructions capture the same phenomena in the same way.

Table 5: Fornell-Lacker Criterion

	Economic	Innovation	Legal	Performance	Natural	Political	Technology	competitive
Economic	0.892							
Innovation	0.105	0.965						
Legal	0.114	0.162	0.941					
Performance	-0.002	0.201	0.125	0.952				
Natural	0.511	-0.09	-0.034	-0.038	0.89			
Political	0.219	0.103	0.154	0.139	0.231	0.885		
Technology	0.366	-0.047	-0.026	-0.115	0.139	0.478	0.872	
competitive	0.546	0.078	0.11	0.067	0.267	0.102	0.564	0.845

Source: Field Survey (2023)

The performance of the Fornell-Larcker criteria is quite low, particularly when the indicator loadings of the constructions that are being considered differ just little from one another (e.g., all indicator loadings vary between 0.60 and 0.80). The efficacy of the Fornell-Larcker criteria in identifying discriminant validity difficulties increases when indicator loadings fluctuate more significantly; nonetheless, the criterion's performance in evaluating the overall discriminant validity remains very low (Voorhees, Brady, Calantone, & Ramirez, 2009). Henseler, Ringle and Sarstedt (2015) suggest evaluating the heterotrait monotrait ratio (HTMT) of the correlations as a potential solution. According to Henseler and colleagues, a latent construct is said to have discriminant validity when the HTMT ratio of the construct is less than 0.850. The findings are provided in Table 6, and they reveal that the HTMT values are significantly higher than 0.850.

Table 6: Heterotrait-Monotrait Ratio (HTMT)

	Economic	Innovation	Legal	Low turnover	Natural	Political	Quick service delivery	Technology	competitive	efficiency
Economic										
Innovation	0.09									
Legal	0.101	0.287								
Low turnover	0.063	0.219	0.385							
Natural	0.664	0.068	0.061	0.04						
Political	0.671	0.083	0.133	0.119	0.142					
Quick service delivery	0.038	0.164	0.265	0.248	0.064	0.07				
Technology	0.338	0.058	0.077	0.079	0.554	0.148	0.049			
competitive	0.599	0.063	0.086	0.056	0.299	0.259	0.068	0.217		
efficiency	0.047	0.245	0.162	0.123	0.057	0.089	0.173	0.061	0.086	

Source: Field Survey (2023)

Assessing the Structural Model

Table 6 presents the findings, which reveal that HTMT values are much lower than 0.850. The results of determining whether or not the indicators in this research exhibit multicollinearity are shown in Table 6. In the context of PLS-SEM, a possible collinearity issue is indicated by a tolerance value of 0.20 or lower and a VIF value of 5 or higher, respectively (Hair et al., 2011). To be more explicit, if the Variation Indicator Fit level of an indicator is 5, it suggests that the other formative indicators connected with the same construct account for eighty percent of the indicator's variance. Based on the data that were obtained from this study, it was determined that there was no multicollinearity between the indicators.

Additional proof that the standard method does not include any bias may be seen in Table 7, which presents the VIF's results. According to the criteria that were proposed by Kock and Lynn (2012), the occurrence of a VIF value that is greater than 3.3 is proposed as an indication of pathological collinearity, and it is also proposed as an indication that a model may be contaminated by common method bias. Both of these indications were proposed as a result of the work that was done by Kock and Lynn (2012). Both of these signals are founded on the standards that Kock and Lynn put up in their proposal (2012). Because of this, we are able to say that the model is free from the problem of vertical or lateral collinearity as well as common method bias if all of the VIFs that come from a comprehensive collinearity test have a value that is equal to or lower than 3.3 (Kock). In addition, we are able to say that the model is free from the problem of common method bias (2013).

Assessing Coefficient of Determination and Predictive Relevance

According to Hair et al. (2014), a level of significance of 0.25, 0.5, or 0.75 for a structural model's coefficient of determination (R^2) is considered to have a low level of significance, moderate level of significance, and large level of significance, respectively. In addition, the author said that a predictive relevance (Q^2) of 0.02, 0.15 and 0.35, as well as an effect size (f^2) of 0.02, 0.15 and 0.35, are each regarded as being little, mid, and large, respectively, for structural models. The following conclusion is one that may be drawn from the data that is shown in Table 7.

Table 7: Coefficient of Determination

	R-square	R-square adjusted
Performance	0.93	0.926

Source: Field Survey (2023)

From Table 8, external environment had a large coefficient of determination (R^2) on performance indicators. This implies that, external environment explains 93 percent of the variation in innovation, 70.1 percent of the variations in low turnover, 72 percent of the variation in quick service delivery and 71.3 percent of the variation in efficiency.

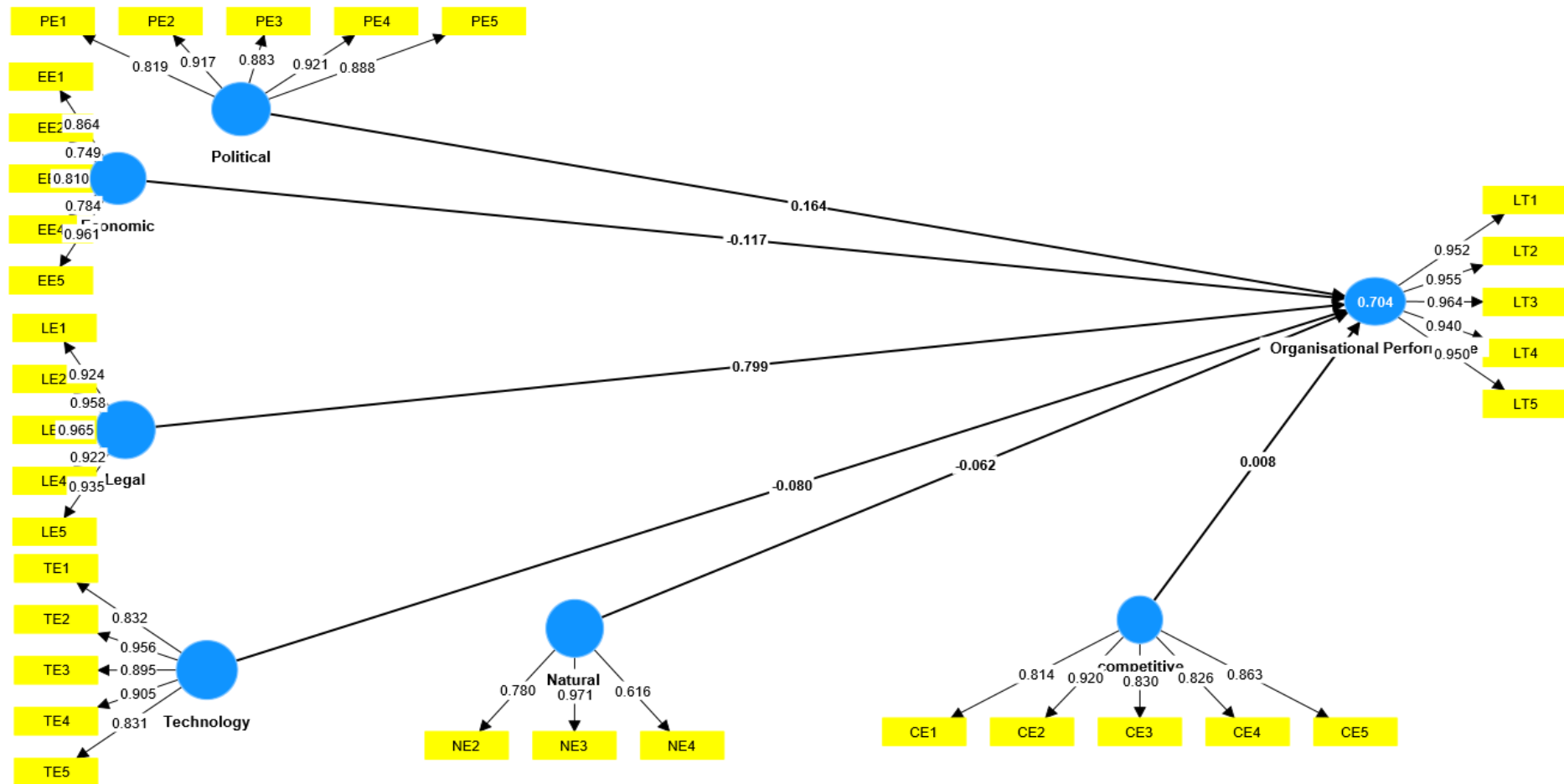


Figure 2: PLS SEM
Source: Field Survey (2023)

Political environment and organisational performance

The first objective of the study is to analyse the effect of political environment on organizational performance of Assemblies of God Hospital, Saboba. Structural Equation model was employed. The result of the outcome has been presented on Table 8.

Table 8: Political Environment and organizational performance

	Original	Standard		
	sample	deviation	T statistics	P
	(O)	(STDEV)	(O/STDEV)	values
Political -> Performance	0.178	0.038	4.684	0.000

Source: Field Survey (2023)

From Table 9, there was a positive and significant relationship between political environment and performance [$B = 0.178$; $t(159) = 4.684$; $p < 0.05$]. A unit increase in political environment would lead to a 0.178 increase in employee low turnover. Political decisions regarding labor laws, employment regulations, and worker rights can influence how organizations manage their workforce. Stringent regulations or changes in labor laws may increase compliance costs or limit the flexibility of organizations in workforce management, affecting turnover rates. Political decisions and economic policies can impact overall employment levels and the unemployment rate. Higher unemployment rates may result in a more competitive job market, making it easier for employees to find alternative employment opportunities. In such situations, organizations may experience higher turnover as employees seek better prospects elsewhere. A stable political environment with predictable policies can create a conducive business environment. On the other hand, political instability or frequent policy changes can lead to uncertainty,

affecting investor confidence and organizational planning. Organizations may face challenges in talent retention and attraction if employees perceive a lack of stability.

Political decisions result in the creation and modification of regulations that organizations must adhere to. Compliance with these regulations can enhance or hinder efficiency, depending on the complexity and flexibility of the regulatory framework. Organizations operating in environments with clear and stable regulations may find it easier to plan and execute their operations efficiently. A stable political environment contributes to overall economic and business stability. A consistent and predictable government allows organizations to plan for the long term, make strategic decisions, and invest in improvements to operational efficiency. Political instability, on the other hand, may lead to uncertainty and hinder efficiency. Political leaders often implement policies and initiatives that can directly or indirectly impact organizational efficiency. For example, policies related to infrastructure development, education, and technology can influence the availability of skilled labor, access to markets, and technological capabilities, all of which contribute to organizational efficiency. Organizations that engage in government contracts or depend on public-sector customers may be affected by government procurement practices. Transparency, fairness, and efficiency in procurement processes can positively influence organizational efficiency, while corruption or inefficiencies in these processes may hinder it.

Economic environment and organisational performance

The second objective of the study was to analyse the effect of economic environment on organizational performance, using Assemblies of God Hospital, Saboba as the case. The result has been presented on Table 9.

Table 9: Economic environment and organisational performance

	Original	Standard		
	sample	deviation	T statistics	P
	(O)	(STDEV)	(O/STDEV)	values
Economic -> Performance	-0.133	0.099	-1.343	0.179

Source: Field Survey (2023)

From table 10, there was a positive and significant relationship between economic environment and organizational innovation [$B = 0.169$; $t(159) = 3.130$; $p < 0.05$]. A unit increase in economic environment would lead to a 0.169 increase in organizational innovation. The availability of capital is a key driver of innovation. In a robust economic environment with easy access to financing, organizations may find it easier to secure funding for research and development, technological advancements, and other innovative initiatives. Conversely, during economic downturns, access to capital may become more challenging, impacting an organization's ability to invest in innovation. Economic conditions directly impact consumer spending patterns and demand for products and services. Organizations often innovate in response to changing consumer needs and preferences. During economic upswings, increased consumer confidence may drive demand for innovative products and services. Conversely, in economic downturns, organizations may need to focus on cost-effective innovations or adjust their offerings to meet changing consumer priorities. Economic environments influence the level of

competition within industries. In highly competitive markets, organizations are often driven to innovate as a means of gaining a competitive edge. Economic downturns may intensify competition, leading organizations to innovate for survival or differentiation. Economic globalization can create both challenges and opportunities for innovation. Organizations may need to innovate to compete in global markets, adapt to international standards, and navigate cross-border complexities. Economic conditions in different regions can impact the demand for innovative solutions and influence an organization's global innovation strategy.

There was also a negative but insignificant relationship between economic environment and organizational efficiency [$B = -0.149$; $t(159) = -1.693$; $p > 0.05$]. Regardless of the economic environment, organizational efficiency will be constant. Organizations that prioritize operational excellence can maintain high levels of efficiency regardless of economic conditions. Implementing lean processes, continuous improvement initiatives, and optimizing workflows contribute to a resilient operational structure. Companies that invest in advanced technologies, automation, and digitalization can improve efficiency by streamlining processes, reducing errors, and enhancing overall productivity. Technological advancements can help organizations adapt to economic changes and maintain efficiency in various scenarios.

Natural environment and organisational performance

The third objective of the study was to analyse the effect of natural environment on organizational innovation. The result has been presented on Table 10.

Table 10: Natural Environment and organisational performance

	Original	Standard		
	sample	deviation	T statistics	P
	(O)	(STDEV)	(O/STDEV)	values
Natural -> Performance	0.367	0.139	2.640	0.009

Source: Field Survey (2023)

From Table 11, there was also a positive and significant relationship between natural environment and turnover [$B = 0.367$; $t(159) = 2.640$; $p < 0.05$]. A unit increase in natural environment would lead to a 0.367 increase in organizational turnover. The physical location of an organization, especially in remote or challenging environments, can impact turnover. Employees may be more likely to leave if the natural environment poses difficulties in commuting, limits access to amenities, or has harsh weather conditions. Extreme or unfavorable climate conditions may affect the health and well-being of employees. In regions with extreme temperatures, frequent natural disasters, or high pollution levels, employees may experience health issues, leading to increased absenteeism or turnover. The natural environment plays a role in determining the overall quality of life for employees. Organizations located in areas with attractive natural surroundings, good air quality, and recreational opportunities may experience lower turnover as employees are more likely to be satisfied with their living conditions. Organizations in regions prone to environmental hazards, such as earthquakes, floods, or hurricanes, may experience higher turnover as employees seek locations with lower risk. The potential threat to personal safety and property can drive individuals to relocate to areas with a more stable natural environment.

Also, there was a positive and significant relationship between natural environment and quick service delivery of organization [$B = 0.797$; $t(159) = 5.175$; $p < 0.05$]. A unit increase in natural environment would lead to a 0.797 increase in quick service delivery. The physical location of a firm in relation to its customers and suppliers can impact delivery times. Remote or geographically isolated locations may face challenges in quick service delivery due to longer transportation times and logistics complexities. Adverse weather conditions, such as storms, heavy rain, snow, or extreme temperatures, can disrupt transportation networks and affect the speed of delivery. Inclement weather may lead to delays in shipping and transportation, impacting the overall efficiency of service delivery. Regions prone to natural disasters, such as earthquakes, hurricanes, or floods, may experience disruptions in supply chains and transportation infrastructure. Natural disasters can cause delays in the movement of goods and services, affecting the quick delivery capabilities of firms.

There was no significant relationship between natural environment and organizational efficiency [$B = 0.797$; $t(159) = 5.175$; $p < 0.05$]. This implies that natural environment do not influence the efficiency of firms, especially hospitals.

Technology environment and organisational performance

The fourth objective of the study was to analyse the effect of technological environment on organizational performance at Assemblies of God Hospital. The result has been presented on Table 11.

Table 11: Technology environment and organisational performance

	Original	Standard		
	sample	deviation	T statistics	P
	(O)	(STDEV)	(O/STDEV)	values
Technology -> Performance	0.745	0.099	7.525	0.000

Source: Field Survey (2023)

From Table 12, there was positive and significant relationship between technology environment and organizational innovation [$B=0.449$, $t(159)=8.804$, $p<0.05$]. A unit increase in technology environment would lead to a 0.449 increase in organizational innovation. Emerging technologies often disrupt existing business models and practices. Organizations that recognize the potential of disruptive technologies, such as artificial intelligence, blockchain, or the Internet of Things, are motivated to innovate in order to stay competitive and capitalize on new opportunities. The technology environment facilitates easy access to vast amounts of information. Organizations can leverage data analytics, machine learning, and other tools to extract valuable insights, informing strategic decision-making and innovation efforts. The digital transformation of business processes is driven by advancements in technology. Organizations adopting digital technologies for communication, collaboration, and operational efficiency often find themselves better positioned to innovate in response to changing market demands. Technology enables organizations to connect with global markets, partners, and customers. This interconnectedness fosters collaboration, facilitates the exchange of ideas, and opens up opportunities for cross-border innovation and partnerships.

There was also a positive and significant relationship between technology environment and turnover [$B=0.745$, $t(159) = 7.525$, $p < 0.05$]. A unit increase in technology environment would lead to a 0.745 increase in turnover. Rapid technological changes can lead to a skills gap, where employees may find themselves lacking the skills needed for new technologies. Organizations that do not provide adequate training and support for employees to adapt may experience turnover as employees seek opportunities where their skills are better aligned with technological requirements. The implementation of automation technologies may lead to certain job functions becoming redundant. Employees whose roles are automated may face job insecurity, potentially leading to higher turnover as they seek new opportunities that align with their skills and expertise. Organizations operating in technology-driven industries may experience turnover if they cannot attract or retain tech-savvy talent. High demand for individuals with specific technological skills can create a competitive job market, leading employees to seek opportunities with organizations that offer better prospects for career development and growth. Technological advancements in communication and collaboration tools have facilitated the rise of flexible work arrangements, including remote work. Organizations that embrace technology to support flexible work options may experience lower turnover, as employees appreciate the flexibility and work-life balance.

Legal environment and organizational performance

The fifth objective of the study was to analyse the effect of legal environment on organizational performance. The result has been presented on Table 12.

Table 12: Legal Environment and Organisation Performance

	Original	Standard		
	sample	deviation	T statistics	P
	(O)	(STDEV)	(O/STDEV)	values
Legal -> Performance	0.81	0.057	14.211	0.000

Source: Field Survey (2023)

From Table 13, there was a positive and significant relationship between legal environment and performance [$B=0.810$, $t(159) = 14.211$, $p < 0.05$]. A unit increase in legal environment would lead to a 0.810 increase in turnover. Compliance with labor laws and regulations is essential for organizations. Violations of labor laws, such as those related to working hours, overtime pay, and employee rights, can lead to legal consequences and negatively impact the work environment. Organizations that fail to comply with these laws may experience increased turnover due to dissatisfaction and legal risks. Laws prohibiting discrimination based on factors such as race, gender, age, and disability are critical in shaping workplace culture. Violations of anti-discrimination laws can result in legal action and damage an organization's reputation. A legal environment that promotes diversity and inclusion may contribute to lower turnover by creating a more equitable workplace. The legal framework surrounding employment contracts and agreements can impact turnover. Clear and fair contractual terms, including non-compete clauses and termination provisions, can contribute to a stable and transparent employment relationship, reducing the likelihood of legal disputes and turnover. Legal requirements related to non-discrimination and anti-harassment policies influence workplace culture. Organizations that prioritize creating a respectful and inclusive environment, in line with legal

expectations, are likely to experience lower turnover related to discrimination or harassment issues.

Competitive environment and organizational performance

The sixth objective of the study was to analyse the effect of competitive environment and organizational performance. The result has been presented on Table 13.

Table 13: Competitive Environment and Organisational Performance

	Original	Standard		
	sample	deviation	T statistics	P
	(O)	(STDEV)	(O/STDEV)	values
Competitive -> Performance	0.416	0.093	4.473	0.000

Source: Field Survey (2023)

From Table 14, there was a positive and significant relationship between competitive environment and organizational performance [$B=0.225$, $t(159) = 5.000$, $p < 0.05$]. A unit increase in competitive environment would lead to a 0.225 increase in organizational innovation. Intense competition creates market pressure for organizations to differentiate themselves. In such environments, organizations are motivated to innovate in products, services, and business processes to stand out and capture market share. Competitive markets often lead to higher customer expectations. Organizations must innovate to meet or exceed these expectations, whether it's through the development of new features, improved quality, or enhanced customer experiences. Observing and learning from competitors' successes and failures can inspire innovation. Organizations may engage in benchmarking and imitation, adapting successful strategies and approaches to enhance their own products, services, or processes. The threat of disruption from competitors or

new entrants can drive organizations to innovate. In rapidly evolving industries, staying ahead of or responding to disruptive forces is essential for survival and maintaining a competitive position.

Chapter Summary

This section analysed the relationship between external environment and performance of organisation, using Assemblies of God Hospital as the case. The chapter begun with the analysis of the demographic characteristics of the respondents. Analysis of the validity of the items used to measure the constructs were also undertaken. The use of cross loadings, convergent validity, discriminant validity and analysis of the model fitness were also undertaken. Assessment of the model structure was then undertaken. The relationship between the variables were examined and explained.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

Introduction

The summary, conclusions and recommendations of the study are presented in this chapter. The study was conducted to examine the relationship between external environment and organisational performance of Assemblies of God Hospital. This chapter begun with the summary of the study. This was followed by the conclusion, recommendations and suggestions for further studies.

Summary

The main purpose of the study was to analyse the relationship between external environment and performance of organisation. In order to achieve the purpose of the study, three specific objectives were stated. The specific objectives of the study were to:

1. To analyse the effect of political environment on organisational performance of Assemblies of God Hospital, Saboba.
2. To analyse the effect of economic environment on organisational performance of Assemblies of God Hospital, Saboba.
3. To analyse the effect of natural environment on organisational performance of Assemblies of God Hospital, Saboba.
4. To analyse the effect of technology environment on organisational performance of Assemblies of God Hospital, Saboba.
5. To analyse the effect of legal environment on organisational performance of Assemblies of God Hospital, Saboba.

6. To analyse the effect of competitive environment on organisational performance of Assemblies of God Hospital, Saboba.

The study was centered on institutional theory. The study adopted the causal design since the study sought to analyse the causal relationship between the variables underpinning the study. Also, since the research objectives of this study sought to test hypotheses, which are predictive-based, and the investigator seeking to collect large data that can be measured numerically, the quantitative research approach was adopted for this study. A total sample size of 159 respondents were considered. The data collection instrument for the study was questionnaire. Due to the nature of the study's objectives, the structural equation model was employed in analysing the objectives of the study.

Conclusions

In conclusion, the intricate interplay of the political environment, legal environment, natural environment, competitive environment, and economic environment collectively shapes the landscape within which organizations operate. Each of these environmental factors introduces unique challenges and opportunities that organizations must navigate to ensure sustained success.

The political landscape influences organizational strategies, decision-making, and risk management. Adapting to evolving political dynamics and engaging proactively with regulatory frameworks enables organizations to navigate uncertainties, align with societal expectations, and contribute positively to governance.

The legal environment establishes the foundation for ethical business practices and compliance. Organizations that prioritize legal adherence not

only mitigate risks associated with non-compliance but also contribute to the creation of a transparent, accountable, and ethically sound business environment.

Environmental sustainability is becoming increasingly integral to organizational responsibility. Organizations that embrace eco-friendly practices, sustainable technologies, and a commitment to environmental stewardship not only contribute to a healthier planet but also enhance their resilience and reputation in an era where environmental concerns are paramount.

In the competitive arena, organizations are compelled to innovate, optimize efficiency, and respond adeptly to market dynamics. Those fostering a culture of innovation, prioritizing customer satisfaction, and adapting swiftly to changing conditions are well-positioned for long-term success in a dynamic and challenging business landscape.

Economic conditions wield a significant impact on organizational viability and growth. Successful organizations demonstrate financial agility, adaptability to economic fluctuations, and a keen understanding of global economic trends. This enables them to not only weather economic uncertainties but also capitalize on opportunities for strategic growth.

In navigating this intricate web of environments, organizations that adopt a holistic approach are poised for success. A comprehensive understanding of external factors, coupled with strategic alignment and a commitment to ethical and sustainable practices, positions organizations to thrive amid complexities. By integrating these considerations into their core strategies, organizations can forge a path that not only ensures compliance but

also fosters resilience, innovation, and enduring success in an ever-evolving business landscape.

Recommendations

The following recommendations are based on the conclusions drawn from this study.

- Foster a culture of innovation within the organization. Encourage employees to stay informed about market trends, technological advancements, and competitive developments.
- Establish cross-functional teams to drive innovation and ensure that new ideas align with both internal goals and external opportunities.
- Explore strategic partnerships and collaborations with other organizations to enhance capabilities, share resources, and collectively navigate challenges.
- Form alliances that align with organizational goals and provide mutual benefits in terms of market access, innovation, or risk mitigation.
- Prioritize a customer-centric approach by understanding and responding to changing customer preferences, behaviors, and expectations.
- Leverage customer feedback and market research to tailor products, services, and experiences in alignment with external demands.

Suggestions for Further Research

Further studies should consider using companies in other industry in order to generalize the findings. Also, since environment is dynamic, times series data should be considered in further studies in order to analyse how time variations influences the relationship between external environment and firm performance.

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APPENDIX**QUESTIONNAIRE****UNIVERSITY OF CAPE COAST****SECTION I – DEMOGRAPHIC CHARACTERISTICS**

1. Gender Male [☐] Female [☐]
2. Age (years) 21 – 30 [☐] 31-40 [☐] 41-50 [☐] 51-60 [☐]
3. Highest level of education
- SHS/SSS [☐] Diploma [☐] First Degree [☐] Postgraduate [☐]
4. Length of service (in years)
- Less than 5 [☐] 6 - 10 [☐] 11 - 15 [☐] 16 - 20 [☐] Above 20 [☐]
5. Rank
- Junior [☐] Senior [☐]

SECTION II – EXTERNAL ENVIRONMENT FACTORS

On a scale of 1 to 5, please rate the extent to which the following describes your perception. Where 1-Never 5-Always

No		1	2	3	4	5
	Political Environment					
1	The current political climate positively impacts our organization's operations.					
2	Government policies and regulations are generally supportive of our industry.					
3	Political instability in our operating regions is a significant concern for our business.					
4	Our organization has strong relationships with key political stakeholders.					
5	We effectively adapt to changes in government policies.					

	Natural Environment					
1	Our organization actively considers and mitigates environmental risks in its operations.					
2	Natural disasters pose a significant threat to our business continuity.					
3	We have sustainability practices in place to reduce our environmental footprint.					
4	Our organization is vulnerable to fluctuations in weather patterns.					
5	We monitor and respond to changes in natural resources that impact our operations.					
	Economic Environment					
1	The current economic conditions are favorable for our organization's growth.					
2	Our organization efficiently manages economic risks and uncertainties.					
3	Economic downturns have a significant impact on our revenue and profitability.					
4	We regularly analyze and adjust our pricing strategies in response to economic changes.					
5	We have a strong financial foundation to weather economic challenges.					
	Technological Environment					
1	Our organization stays up-to-date with emerging technologies relevant to our industry.					
2	Technological advancements positively impact our operational efficiency.					
3	We have the necessary IT infrastructure to support our business objectives.					

4	Rapid technological changes are a source of concern for our organization.					
5	We effectively adopt and integrate new technologies into our operations.					
	Competitive Environment					
1	Our organization effectively differentiates itself from competitors in the market.					
2	We closely monitor and respond to actions by our competitors.					
3	Competitive pressures significantly affect our pricing strategies.					
4	We have a clear understanding of our competitive strengths and weaknesses.					
5	Our organization regularly innovates to maintain a competitive edge.					
	Legal Environment					
1	We have a strong legal and compliance framework in place.					
2	Legal and regulatory changes significantly impact our industry.					
3	We proactively address legal and compliance issues.					
4	Our organization effectively manages legal risks.					
5	We have clear processes for adapting to changes in the legal landscape.					

SECTION III – ORGANISATIONAL PERFORMANCE

On a scale of 1 to 5, please rate the extent to which the following describes your perception. Where 1-Never 5-Always

No		1	2	3	4	5
1	The organization encourages and supports innovative ideas.					
2	b. Employees feel empowered to suggest and implement new ways of doing things.					
3	c. There is a culture of continuous improvement within the organization.					
4	d. The organization invests in research and development to foster innovation					
5	Employees are encouraged to take risks and explore new ideas.					
6	. I am satisfied with my current role and do not intend to leave in the near future.					
7	b. The organization effectively retains talented employees.					
8	c. Employee turnover is a concern within the organization.					
9	d. The organization provides adequate opportunities for career growth.					
10	The organization provides competitive compensation and benefits.					

THANK YOU