Abstract

The aim of this investigation is to examine the relationship between financial management practices, including adherence to budgets, financial monitoring, allocation of financial resources, and financial planning, and health service delivery in the Kenyan devolved health system. It also considers organisational commitment as a mediator and government policy as a moderator to understand the mechanisms that safeguard healthcare performance in decentralised settings with limited available resources in Africa. The study used a cross-sectional survey method to collect data from 300 senior management staff across 55 health facilities in Makueni County, Kenya. To test the direct, mediating, and moderating relationships of the latent constructs, data were estimated using structural equation modelling (SEM). SEM results revealed that robust financial management practices co-vary with higher health delivery performance, especially budget adherence, which exhibited the highest association with health service delivery outcomes. Organisational commitment emerged as a partial mediator, and government policy served as a positive moderator. The findings suggest that strong financial governance is associated with improved health service delivery in devolved health systems. Public health administrators and policymakers ought to prioritise financial planning and adhere to budgets to maximise health outcomes in local communities. However, given the cross-sectional and single-informant design, these findings are associational and hypothesis-generating, requiring validation through future longitudinal and multi-informant research.