

# **FACTORS INFLUENCING EFFICIENCY IN PROCUREMENT SYSTEMS AMONG PUBLIC INSTITUTIONS: A CASE OF CITY COUNCIL OF NAIROBI**

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## **ABSTRACT**

Today, in many countries, public procurement has become an issue of public attention and debate, and has been subjected to reforms, restructuring, rules and regulations. In Kenya, public procurement still suffers from fraud and misconduct with public officials distorting the regulations to restrict the participation of interested firms in procurement, or still direct the outcome of others. This study sought to evaluate the factors influencing efficiency of procurement systems at the City Council of Nairobi. The research focused on the procurement employees at the Council. The study sought to answer the question; what are the factors influencing efficiency of procurement systems at the City Council of Nairobi? Descriptive survey was adopted in this study. The target population for the study was procurement employees of the City Council of Nairobi. Since the population was not very large (63) a census approach was adopted. This study adopted questionnaires as a principal instrument for data collection. Data collected was purely quantitative and was analyzed using descriptive statistics which included use of frequencies, percentages and means. Data was presented using tables and charts. To

further understand the relationship between the variables, a linear regression was carried out. From the findings, employee competence, information technology, records management and management styles influenced procurement efficiency at CCN. The study concludes that several developed countries have taken steps recently to revise their public procurement systems to improve their efficiency. The CCN is committed to improving efficiency in the public procurement system at every opportunity for the purpose of enhancing: Accountability in decision-making structures; Responsiveness to citizens of the country; Professionalism to improve performance; Transparency in the procedures and policies and Appeal rights to redress meritorious grievances of suppliers. The study recommended, among other things, that procurement staff should possess sets of skills appropriate in procurement activities; e procurement should be adopted as well as a good record keeping culture to ensure there is a comprehensive statistics on the value of goods, services and works procured.

**Key Words:** *Records Management, Information Technology, management styles and employee competency*

## **INTRODUCTION**

The existence of any organization demands that it obtains inputs from the external environment for its sustenance; this implies that organizations have to acquire goods and services of good quality, in a timely manner, at the right price and the precise quantity (Knight et al, 2007). The foregoing statement sums up the need for organizations to procure and the consequent development of a procurement system. While private procurement is guided by return on

investment motive of the investors who invested their finances and time into the organization, the public procurement is funded through a variety of sources, which include; taxation, public borrowing, grants and service/product fees. These sources of funding means that the procurement decisions taken by the government are largely driven by the need to be fair, open, encourage free competition, have public confidence and value for money (Atkinson, 2006). For these reasons, public procurement is now subjected in all countries to enacted regulations, in order to protect public interests, especially public finance (David, 2002).

### **The Public Procurement in Kenya**

The public procurement system in Kenya has evolved from a crude system with no regulations to an orderly legally regulated procurement system. The Government's procurement system was originally contained in the Supplies Manual of 1978, which was supplemented by circulars that were issued from time to time by the Treasury. According to Bukhala (2003), a review of the country's public procurement systems was undertaken in 1999 and established that there was no uniform procurement system for the public sector as a whole. The system had more loopholes as it did not have sanctions or penalties against persons who breached the regulations in the Supplies Manual, other than internal disciplinary action. Consequently application of the rules was not strict and many of the norms were not followed. Between 2001 and 2004, the Public Procurement and Disposal Bill was drafted and modified several times. After being assented to by the president, it became the Public Procurement and Disposal Act 2006. This Act contains the Regulations that are meant to effectively ensure that the procurement process is fair and just. The Rules and Regulations, herein known as the Public Procurement Regulations of 2006, became operational on 1 January 2007 (PPOA, 2007).

The Act established the public procurement oversight authority (PPOA) as an independent body to oversee and regulate procurement in the entire public service. The PPOA was to ensure that the procurement procedures established under this act are complied with, to monitor the public procurement system, initiate public procurement policy and propose amendments to this Act and to perform such other functions and duties as provided for under this Act. Another key feature is the establishment of the administrative and appeals board to receive appeals from parties who have reason to belief proper procedures were not followed during procurement. Finally, the act also provides for the establishment of procurement units in individual organizations to handle the procurement process so as to ensure that procurement decisions are made in a systematic and structured way (PPOA, 2007).

### **The City Council of Nairobi**

Nairobi is the capital city of the Republic of Kenya and main commercial centre in the country and East Africa. The city is administered by the Nairobi City Council whose mandate over the

city is derived from the Local Government Act Cap 265. The City Council provides or regulates the delivery of services in education, public health physical planning, social services and sanitation including solid waste management. Data maintained by the Central Government indicates that the about 3.2 million people live or work in the city, a population that the Government estimates to be growing at the rate of 7 % per annum Evolution and substance of the strategies to undertake this responsibility are based on the foundation of Council's vision "to be recognized as one of the most attractive cities of the world". The Council's management structure has been transformed over time in terms of increased technical competence and institutional set up to sufficiently undertake service delivery and effective urban management. The notable successes and visible results enjoyed by the residents are attributed to this institutional transformation and increased internal cooperation. The City Council of Nairobi faces numerous challenges like rapid urban growth and development, limited financial capacity and infrastructure development that lag behind urban growth amongst others. Nonetheless, the council has embraced public - private partnership approach to overcome some of these challenges.

## **RESEARCH PROBLEM**

An effective public procurement system allows suppliers to provide satisfactory quality, service and price within a timely delivery schedule. The basic tenet of public procurement is straightforward: acquire the right item at the right time, and at the right price, to support government actions. Although the formula is simple - it involves questions of accountability, integrity and value with effects far beyond the actual buyer/seller transactions at its centre. A serious and sustained review of such decisions is needed to properly manage the public procurement function (Kipchilat, 2006).

The lack of a strong procurement function has led to failure to employ good practices in procurement, creating inefficiencies and high costs to the Nairobi City Council. A general lack of understanding of the procedures or non compliance further creates opportunities for corruption and inefficient use of public funds. The inefficient use of funds can be generated from problems across the entire procurement process-from the poor procurement planning, definition of the needs and creation of the bidding documents, to a lack of transparency and competition in the process followed for announcements, bidding, evaluation and award of contracts, to poor contract supervision.

In the financial year 2012/2013, the City Council of Nairobi is operating with a budget of Sh15.5 billion. Out of the budget, 60% is reserved for procurement (NCC, 2012). This points out to the importance of procurement efficiency at the council. According to a research report on the involvement of the public in public procurement in Kenya's Local Authorities by the Kenya Alliance of Resident Associations, the majority of the members of the public in all the LAs surveyed (90.1%) believed that the local authorities were not transparent in terms of

procurement. Nairobi City Council led with the majority (94.1%) of its residents believing that the council was not transparent and 82% believed that corrupt practices occurred in procurement at the NCC (KARA, 2010).

Previous studies have done little to address factors affecting procurement efficiency. Local studies have only concentrated on supply chain management as a whole but hardly any that has specifically addressed factors affecting procurement efficiency at the City Council of Nairobi. This study thus sought to fill this gap by addressing the question; what are the factors influencing efficiency of procurement systems in the Kenyan public sector with specific interest in the City Council of Nairobi?

## **GENERAL RESEARCH OBJECTIVE**

The general objective of this study was to evaluate the factors influencing efficiency of procurement systems in the Kenyan public sector with specific interest in the City Council of Nairobi.

## **SPECIFIC RESEARCH OBJECTIVES**

1. To test the extent to which employee competency influences public procurement process efficiency at the City Council of Nairobi.
2. To find out the extent to which Information Technology influences public procurement process efficiency at the City Council of Nairobi.
3. To discover the extent to which management styles influences public procurement process efficiency at the City Council of Nairobi.
4. To establish the extent to which Records Management influences public procurement process efficiency at the City Council of Nairobi.

## **LITERATURE REVIEW**

### **Theory of Planned Behavior**

The Theory of Planned Behaviour (Ajzen, 1991) is the successor of the theory of reasoned action (Fishbein and Ajzen, 1975). A central factor in the TPB is the individual's intention to perform a given behaviour. As Ajzen (1991) states, the stronger the intention to engage in a behaviour, the more likely should be its performance. According to the TPB an individual's intention to perform a given behaviour is formed by three determinants: attitude, subjective norm, and perceived behavioural control. The relative importance of the determinants varies across situations (Ajzen and Fishbein, 1980).

Attitude to certain behaviour refers to the individual's global positive or negative evaluation of performing that behaviour. Subjective norm refers to the individual's perceptions of general

social pressure to perform a certain kind of behaviour. The final determinant is called perceived behavioural control. Perceived behavioural control refers to the perceived ease or difficulty of performing certain behaviour. Applied to predicting the use of competency management, the TPB holds that the extent to which an individual has a positive or negative evaluation of competency management (attitude), the perception of social pressure to use competency management (subjective norm), and the individual's confidence in his/her ability to use competency management (perceived behavioural control) will predict the intention to use and the actual use of competency management (Gelade and Ivery, 2003).

### **Technology Acceptance Model**

Technology Acceptance Model are among these models that have gained attention and confirmation in a wide array of areas and applications to understand end-user's intention to use new technology and systems (Armitage and Conner, 2001). TAM was initially developed by Davis et al. (1989) as an extension of Ajzen and Fishbein's TRA to explain and predict particularly IT usage behaviour across a wide range of technologies and user populations. TAM has received much attention from final studys and practitioners as a parsimonious yet powerful model for explaining and predicting usage intention and acceptance behaviour (Yi and Hwang, 2003).

Attitude in TAM is influenced by a priori two key elements determining technological behaviour: perceived ease of use (EOU) and perceived usefulness (Igbaria et al., 1996). Davis (1989) defined perceived usefulness as the degree to which “a person believes that using the system will enhance his or her performance” and EOU as the degree to which “a person believes that using the system will be free of mental effort”. According to TAM, perceived usefulness and EOU both affect a person's attitude toward using the system, and consistent with TRA, these attitudes toward using the system determine behavioural intentions, which in turn lead to actual system use.

### **Theory under Management Styles**

Managers deal with their employees in different ways. Some are strict with their staff and like to be in complete control, whilst others are more relaxed and allow workers the freedom to run their own working lives (just like the different approaches you may see in teachers!). Whatever approach is predominately used it will be vital to the success of the business. “An organisation is only as good as the person running it”. There are three main categories of leadership styles: autocratic, paternalistic and democratic. Autocratic (or authoritarian) managers like to make all the important decisions and closely supervise and control workers. Managers do not trust workers and simply give orders (one-way communication) that they expect to be obeyed. This approach derives from the views of Taylor as to how to motivate workers and relates to

McGregor's theory X view of workers. This approach has limitations (as highlighted by other motivational theorists such as Mayo and Herzberg) but it can be effective in certain situations (McGregor, 1960).

The ultimate democratic system occurs when decisions are made based on the majority view of all workers. However, this is not feasible for the majority of decisions taken by a business—indeed one of the criticisms of this style is that it can take longer to reach a decision. This style has close links with Herzberg's motivators and Maslow's higher order skills and also applies to McGregor's theory Y view of workers (Herzberg, 1996).

### **Records Management Theory**

Records management serves a firm or other organization. Therefore, the mission of a records management service needs to be related to and Supportive of the mission of the organization as a whole. The role of the records Management program needs to be articulated with the roles of other parts of the Organization :the roles, needs, and Activities of employees needing access to records; the roles of other information-related programs, such as Management Information Systems, data processing, the library, and the archives. In other words, records management theory is likely to be sterile or incomplete unless it is related to a view of the organization as a whole (Greenhalgh et al, 2008).

### **CONCEPTUAL FRAMEWORK**

A conceptual framework is very important in any research study being undertaken. It shows the relationship between the dependent variables and the independent variable. The figure below shows the study's conceptual framework which illustrates the relationship between the variables of the study (Kotter, 1995). The independent variables are factors which influence procurement efficiency. The dependent variable is procurement efficiency and the independent variables are Employee Competency, enforcement, Management Styles and Records Management.

### **Employee Competency**

Procurement managers need a new skill set. Sheffi and Klaus (1997, p. 17) argue that "the skills required by a modern logistician are no longer restricted to the understanding of how to operate a warehouse or how to reduce the rate per mile charged on a particular lane." They also state: "procurement managers should be equipped to set up supply chains that not only respond to existing situations but also are able to change and adapt" (p. 18) and "Coordination services require a higher degree of managerial talent than basic operational services and are also more situation-special, and therefore more difficult to find or cultivate in the short run" (p. 23). Recently, Closs (2000) observed: "senior supply chain managers... state that one of the major challenges to management in the next decade is the scarcity of trained supply chain managers. To

meet these challenges, substantial change in logistics and supply chain education is necessary" (Closs, 2000).

One way to classify current educational requirements of logisticians and supply chain managers is with the following two terms: skills and competencies. Skills cover general, context-independent knowledge; competencies refer to experience-based and context-dependent knowledge. Skills are general tools and rules taught in most logistics classes, which are vital for the practitioner. However, to reach a competence level in the logistics discipline, practitioners acquire context-dependent knowledge through organizational experience. Witt (1999) suggests workers must remain on the job to become competent. Dreyfus and Dreyfus (1986) argue that a competent practitioner makes decisions based upon rules and analysis, but with organizational experience can depart from rule-based analysis and make synchronic, intuitive, and holistic decisions.

### **Information Technology**

A good supply management system must be in a position to help the petroleum players maintain a good quantity level that will help them have regular supply (Levinson, 2005). Supply chain technology helps petroleum companies reduce inventory investments while maintaining or improving customer service levels. Using supply chain management, companies can invest in products that have the potential to contribute greater profitability while meeting customer expectations. One way is by gaining insight into opportunities related to the tradeoffs of customer service and the corresponding inventory investment requirements (Milne, 1966).

Secondly, Technology helps synchronize and balance the two opposing business objectives of achieving ultimate customer service at a low cost. Most businesses want to have a very high customer service level, but they want to do so at the lowest total cost possible. Supply chain technology can help companies assess tradeoffs to meet their customer's needs, but in a way that allows them to make a profit. Supply chain planning helps dramatically increase forecast accuracy, create plans attuned to the market, execution of reliable transportation, warehousing and distribution to ensure cost-effective order fulfillments and on-time deliveries (Closs, 1966).

The third area where supply chain technology can favorably impact operating expense is through production optimization. Companies must make sure that they invest in petroleum products most likely to sell and are preferred by final consumers. Again, production optimization starts with a good demand forecast, petroleum companies must know what products to import, when, how much and where they need to go. All these areas of concern are interrelated in one way or another and as the studies have shown, all play a pivotal role in the company's drive to achieve excellent service delivery which in turn results into customer satisfaction (Batenburg, 2007).



There are multiple approaches to procurement IT, but the objective is invariably twofold: to enable the wide variety of purchasing transactions on which every company depends, and to arm decision makers at every level with meaningful and actionable information in a predictable, easily accessible manner (Kima and Shunk, 2004). Minimally, procurement IT systems must ensure that all transactions— both internal and external—are carried out consistently, and that decision makers have a clear view of all elements of the company’s purchasing. Surprisingly, many highly sophisticated procurement systems cannot boast either of these attributes, typically because they were built for financial reporting and budgeting purposes and are not set up to furnish sufficient data about procurement performance or to facilitate procurement transactions (Bouwman et al, 2005).

Fortunately, the solution to the technology challenge in procurement is not as sweeping or cost prohibitive as many procurement executives might fear. Companies do not need a state-of-the-art, end-to-end ERP system to effectively support their procurement objectives. Instead, they can use the company’s existing IT infrastructure in combination with various bolt-on systems (Batenburg, 2007).

### **Management Styles**

The ideal procurement organization must balance the desire to leverage purchasing power through complete ownership with the need to maintain the flexibility of the individual business units, functions, and regions. That balance is struck not only in the way procurement— and its accompanying processes and technologies—is structured, but in how the various roles, responsibilities, and decision rights are allocated between the corporate procurement organization and the various procurement functions attached to the business unit, functional, and regional stakeholders (Arvonen, 2002).

Leadership is the behaviors, activities, and symbolic actions of structures of formalizing for production, create social and psychological contracts, and to facilitate change in order to adapt a group into the environmental demands states Arvonen (2002). Yukl (2006) has identified different approaches of leadership. A trait approach emphasizes leaders’ attributes such as personality, motives, values, and skills. Behavior approach focuses on what leaders actually do at their jobs. Power-influence approach examines influence processes between leaders and other people. It seeks to explain leadership effectiveness in terms of the amount and type of power possessed by a manager and how power is practiced. Situational approach emphasizes the importance of contextual factors that influence leadership processes. The major situational variables include the characteristics of followers, the nature of the work performed by a manager’s unit, the type of organization, and the nature of external environments.

## **Records Management**

In any contemporary industry, the data and reports showing compliance to regulatory needs must be robust and come from a reliable source. Many developing countries lack a systematic approach to managing records. It is argued that accurate and readily accessible records of judicial rulings reduce the potential for illicit manipulation resulting from delays, corruption, and inaccuracies. Dysfunctional records management undermines legal and judicial reform creating room for corruption or collusion between court officials and lawyers (Thurston, 2005).

This negatively affects enforcement and reduces compliance. According to Ambrose (2008), the source of data must be safeguarded against tampering such that no one can alter data without leaving some evidence of that change. A study conducted in Kenya found out that poor records management had adverse effect on service delivery. It forces individuals to act on ad hoc basis, makes it intricate to carry out meaningful audits and to prove fraud (Kemoni & Ngulube, 2008). This undoubtedly contributes to non-compliant behavior. Similarly, Akech, (2005) asserted that due to poor records management, a Minister in Kenya unlawfully obtained confidential information on the tender and used it to interfere with the procurement process.

In addition, there is hardly any public procurement report in Uganda that passes without identifying records management and transparency challenges in PDEs (PPDA base line survey, 2010; PPDA compliance audit report, 2008; PPDA workshop report, 2008; PPDA compliance audit report, 2009). Most recently, the PPDA Capacity Building Strategy Report (2011-2014) revealed that there is low compliance in record keeping in Uganda. As Ambrose (2008) suggests, systems without the ability to provide an inviolable audit trail would make their use unacceptable in most compliance and regulatory environments. Proper records management controls, managing who can access and modify key documents and records have been identified as an integral part of achieving compliance (Alfredo, 2009).

## **RESEARCH METHODOLOGY**

### **Research Design**

Descriptive survey was adopted in this study as it was helpful in describing various factors affecting procurement efficiency at the City Council of Nairobi. Descriptive study was best suited for gathering data concerning the current status of phenomena with the purpose of describing what exists with respect to situation variables.

### **Population**

The target population for the study was the 63 procurement employees of the City Council of Nairobi. This target population was picked since they were deemed to have knowledge on the study area. The Table showed the stratification members of staff in all levels.

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## **Sample Size and Sampling Technique**

Census approach was used when the total population is manageable. Both primary and secondary data was used in the study. The study used questionnaire with both structured and semi-structured questions in relation to the study objectives as a key instrument for primary data collection.

## **Data Collection Procedure**

Drop and pick' method was used to administer the questionnaire to each of the study respondents. This method enabled the respondents to use their free time to complete the questionnaire based on their views and understanding. Secondary data was obtained from relevant sources which include PPOA, magazines, journals and other relevant literature.

## **Data Processing and Analysis**

Data collected was purely quantitative. Quantitative data derived from the instruments was then analyzed using descriptive statistical method. Descriptive statistics used included use of frequencies, means and standard deviations. The analysis was done using the Statistical Package for Social Science (SPSS) version 17. Data was presented using tables, graphs, pie charts and figures appropriately. To further understand the relationship between the variables, regression analysis was carried out. In addition variables were regressed using a model and all coefficients interpreted. The model took this form:

$$Y = \beta_0 + \beta_1 \chi_1 + \beta_2 \chi_2 + \beta_3 \chi_3 + \beta_4 \chi_4 + \epsilon$$

Where: Y = Dependent Variable (Public Procurement Efficiency)

$\chi_{1-n}$  = independent variable ( $\chi_1$  is Employee Competency,  $\chi_2$  is IT,  $\chi_3$  is Management Styles and  $\chi_4$  is Records Management)

$\beta_0$  = the constant

$\beta_{1-n}$  = the regression coefficient or change included in Y by each  $\chi$

$\epsilon$  = error term

## **RESEARCH FINDINGS**

### **Inferential Analysis**

A multiple regression analysis was conducted to evaluate the factors influencing efficiency of procurement systems in the Kenyan public sector with specific interest in the City Council of Nairobi. The regression model adopted was:

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$$Y = \beta_0 + \beta_1 \chi_1 + \beta_2 \chi_2 + \beta_3 \chi_3 + \beta_4 \chi_4 + \epsilon$$

Where: Y = Dependent Variable (Public Procurement Efficiency)

$\chi_{1-n}$  = independent variable ( $\chi_1$  is Employee Competency,  $\chi_2$  is IT,  $\chi_3$  is Management Styles and  $\chi_4$  is Records Management)

$\alpha$  is the constant

$\beta$  is the regression coefficient

Multiple regression can establish that a set of independent variables explains a proportion of the variance in a dependent variable at a significant level (significance test of R<sup>2</sup>), and can establish the relative predictive importance of the independent variables (comparing beta weights).

The  $\beta$ 's are the regression coefficients, representing the amount the dependent variable y changes when the independent changes 1 unit. The c is the constant, where the regression line intercepts the y axis, representing the amount the dependent y will be when all the independent variables are 0. Associated with multiple regressions is R<sup>2</sup>, multiple correlation, which is the percent of variance in the dependent variable explained collectively by all of the independent variables.

**Table 1: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.023 <sup>a</sup>	.001	.675	.70802

a. Predictors: (Constant), Employee Competency, IT, Management Styles and Records Management

This multiple linear regression model, with four explanatory variables, now has an R squared value of 0.675. 67.5 % of the variation in Public Procurement Efficiency at CCN can be explained by this model.

**Table 2: Analysis of Variance (ANOVA)**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.015	3	.008	.015	.985 <sup>a</sup>
	Residual	27.571	55	.501		
	Total	27.586	57			

a. Predictors: (Constant), Employee Competency, IT, Management Styles and Records Management

b. Dependent Variable: Public Procurement Efficiency at CCN

Once again, the model, as a whole, is a significant fit to the data.

**Table 3: Coefficients**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.300	.476		4.828	.000
	Employee Competency	.038	.151	.003	.020	.984
	Management Styles	.096	.124	.022	.150	.881
	IT	.154	.096	.013	.190	.834
	Records Management	.102	.082	.028	.140	.903

a. Dependent Variable: Public Procurement Efficiency

From the table above we see that:

1. All variables have positive coefficients meaning that a greater percentage of these variables is associated with a higher level of Public Procurement Efficiency at the Council.
2. Taking IT as an example, we see that having controlled all the other variables (i.e. holding this variable constant), for every 1% increase in IT usage in procurement, there is an increase of 0.154%% in the predicted value of Public Procurement Efficiency.

The theoretical model here was:

$$Y = \beta_0 + \beta_1 \chi_1 + \beta_2 \chi_2 + \beta_3 \chi_3 + \beta_4 \chi_4 + \epsilon$$

The estimated model here is:

$$Y = 2.3 + .038x_1 + 0.154x_2 + .096x_3 + 0.102x_4$$

## CONCLUSIONS

From the study, majority of respondents agreed that most employees know how to use software applications related to procurement. The respondents further agreed that it is as a result of experience and skills, procurement managers make informed decisions. On the other hand, majority of the respondents disagreed that their organizations continuously promoted training for procurement staff to improve their skills and that Procurement employees are creative in their company. The respondents were however undecided on whether the procurement managers possessed sets of skills appropriate in procurement activities in this company. In addition, most of the respondents revealed that employee competence influence procurement efficiency to a large extent.

Further the study showed that the company had not adequately invested in information technology to streamline the procurement process and that technology had led to reduction in inventory costs. Further majority of the respondents disagreed that use of technology had improved employee productivity and that technology use had led to cost reduction thus enhancing profitability. The respondents however, were undecided on the fact that the use of technology had aided in materials management in the company.

From the study, majority of the respondents disagreed that Procurement managers were competent in their work and that procurement managers had undergone trainings to improve their skills. The respondents further disagreed that Procurement managers were persons with integrity and that they added value to their companies. Moreover, the respondents disagreed that Procurement managers did not misuse their power and that there was a good relation with the procurement manager. Most of the respondents, management styles influence procurement efficiency to a moderate extent.

The study also showed that respondents disagreed that records at the council were accurate and readily accessible, and that data had been safeguarded against tampering. on the other hand, respondents agreed that there was lack of comprehensive statistics on the value of goods, services and works procured, that dysfunctional records management undermines legal and judicial reform created room for corruption or collusion between court officials and lawyers, that confidential information on the tender could be accessed and used to interfere with the procurement process, that dysfunctional records management made it intricate to carry out meaningful audits, that poor records management led to lack of transparency of the tendering process and that dysfunctional records management made it intricate to prove fraud.

## **RECOMMENDATIONS**

The study recommends that procurement staff should possess sets of skills appropriate in procurement activities. Public entities must ensure that suitable candidates are employed on the basis of merit and placed in their relevant qualifications, skills, and experience with their roles and responsibilities clearly defined to avoid role conflicts with other professions and departments. Strategies must also be put in place to retain them. Public procurement cannot be perceived as a mere ‘clerical routine,’ activity. For an entity to derive the full benefit of the procurement reform, procurement function must be placed in strategic management level.

Each organisation within the Public Sector should review its procurement organisation to establish the adequacy or otherwise of the resources including skill levels dedicated to the procurement activity. This work should identify both the base requirements essential to satisfy the issues in governance and separately that required to move the procurement operation towards improved performance, superior performance and Best Value.

Funding to encourage efficient government has been made available under different programmes but not always tied to projects that are sector-wide in their implementation and benefit. Serious consideration should be given to providing a specific sector-wide programme of turnkey funding to accelerate the acceptance and more rapid implementation of e Procurement System and other procurement initiatives

E procurement should be adopted as the standard within the Public Sector, including the Councils. All new installations of procurement functional systems should be a part of e Procurement system (ePS). In addition, given the criticality of this dependency to savings, the complexity and challenge of systems installation and the scarce and fragile nature of available skills, an e Procurement system installation Task Force should be established under the leadership of the council's Executive's Procurement Directorate. This Task Force should be assigned as required to provide additional support and skills to the project teams at the individual organization level. The research project was undertaken with constraint on time and money and its scope is limited in terms of addressing the impact of public procurement tendering procedures on delivery of maintenance services. Therefore, there is need for further research in the following areas; Research into the causes and consequences of procurement inefficiencies in tendering procedures in Kenyan public institutions and a comparative study of procurement and tendering procedures in both private and the public sector. Further research should be carried out to determine other factors that affect procurement efficiency in the public sector in Kenya other than the ones discussed in this study.

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