

**SUSTAINABLE PROCUREMENT PRACTICES AND
ORGANIZATIONAL PERFORMANCE OF THE COUNTY
GOVERNMENTS IN KENYA**

BY

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DECLARATION

STUDENT'S DECLARATION

I, the undersigned, decree that the project is my novel work and, to my knowledge, has not been given out to any institution or university other than the University of Nairobi for examination.


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DEDICATION

To my parents:

Mr. Daniel Muema and Mrs. Ruth Mwikali

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ABBREVIATIONS AND ACCRONYMS

EU	European Union
GDP	Gross Domestic Product
ICT	Information Communication and Technology
NCC	Nairobi City County
SPP	Sustainable Procurement Practices
UK	United Kingdom
WCED	World Commission on Environment and Development
UNDP	United Nations Development Programme
RDT	Resource Dependency Theory

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ABSTRACT

This study's aim was to determine the influence of sustainable procurement practices on organizational performance of the county governments in Kenya. The research had two objectives namely; to establish the level of adoption of sustainable procurement practices by the county governments in Kenya and to determine the correlation amongst sustainable procurement practices and organizational performance of the county governments in Kenya. The methodology adopted was descriptive design and primary data assembled through questionnaires which were administered by electronic mails. The population was made up of all the 47 county governments in Kenya and thus census was carried out as per the small population. Analysis of objective one was realized through descriptive statistics while objective two was analyzed through regression analysis. The outcome shows that economic procurement practices were adopted to a large extent whereas ecological procurement and social procurement practices were adopted to a moderate extent by the county governments in Kenya. The results established that economic and ecological procurement practices has a positive and significant relationship with organizational performance and they influences organizational performance. Social procurement practices were found to have no influence on the organizational performance of the county governments in Kenya. Since ecological, social and economic procurement practices have been found to influence cost, timeliness and service delivery, it is recommended that the county governments adopt the said practices to a very large extent to enhance organizational performance. The researcher suggests that further research can compare sustainable procurement practices with either financial, supply chain performance or competitiveness to ascertain if the same outcome will be yielded.

CHAPTER ONE: INTRODUCTION

1.1 Background of the study

Substantial changes have been witnessed in ways that different entities carry out their business operations especially in the past decade as observed by Musewe and Gekara (2021). Most firms and countries globally are moving away from the traditional way of focusing only on the profits and economic aspects of their operations to accommodate two more vital facets of social and ecological (Delprato & Antequera, 2021). This is happening since firms have realized that it's unsustainable and unethical to only concentrate on the economic benefits while overlooking the impact on the society and the ecology and they may be faced with challenges and opposition from the stakeholders, the community as well as the government (Mlinga, 2019). The significance of sustainability in procurement and supply chain has substantially increased both in practice and research which prompts many firms to engage in Sustainable practices (Basheka & Bisangabasaija, 2019). Firms and other stakeholders are targeting their procurement strategies to reduce the environmental impact of procurement and supply chain operations. Firms see environmental and societal concerns from a competitive viewpoint due to the need to overcome supply chain risks, waste reduction, increased efficiency, and gaining a competitive edge (Stoffel, Cravero, La Chimia & Quinot, 2019). This has made firms add more efforts in making sure that their operations across the chain meets the vital sustainability pillar of ecology, social and economic while aiming at achieving organizational performance (Matebese-Notshulwana, 2021).

Theories that steered the research are Dynamic Capability Theory, Resource Dependency Theory (RDT) and Tripple Bottom Line (TBL) Theory. Dynamic capability theory focuses on manipulating existing external and internal firm specific competencies to address the ever-changing environment in which firms operates as explained by Teece, Pisano and Shuen (1997). Resource dependency was fronted by Godfrey (1998) with the assumption that it's vital for entities in the SC to be reliant on each other if they are to truly enhance their efficiency and effectiveness. Triple Bottom Line (TBL) theory views economic, ecological and social worth of asset that might accumulate besides a company's bottom line as explained by Elkington (2004).

The devolved system of governance is provided for in the constitution 2010, as it actualizes the development of devolved system of government which created the 47 county governments under article 191 and 192 in the fourth schedule. The devolution chapter has been one of the most significant chapters of the constitution as it provides for change in the governing ways from a centralized system to a devolving system of governance. The functions of the county government include legislations, executive functions and functions transferred from the national government and staffing of public servants at the county level.

1.1.1 Sustainable Procurement Practices

Procurement, as defined by the PPADA (2015), entails acquiring any type of works, resources, services, or products like livestock, by buying, leasing, tenancy, renting, hire purchase, license, franchising, or other contractual means, and entails planning, advising and dispensation in the SC system. World Bank (2020) defines Procurement of the public as the acquirement of works, products and services by use of funds acquired from the public reserves. As a result, sustainable procurement is described as the use of sustainable development concepts in the activities of procuring. It's not only about being "green" when it comes to sustainable procurement. It entails purchasing that is socially and morally responsible that minimizes ecological impact across the SC, delivering cost-effective results, and guaranteeing best practices at all times (CIPS, 2014). Sustainable public procurement is about considering the environmental, financial and social factors in decision making in the public procurement function. It looks beyond the economic parameters traditionally used and makes decisions basing on whole life costing, risk associated, success measure and societal implications along with environmental considerations.

Sustainable procurement practices are diverse and can be categorized into three main aspects following the triple pillars of sustainability of social, ecological and economic. Etse, McMurray and Muenjohn (2021) explain that social sustainable procurement practices entails practices that aims at having the needs and welfare of people in mind and giving back to the society. These may include offering bursaries to the bright but needy students, having sections for the preference and reservations, sourcing locally, offering better working conditions for the employees and many more. Sönnichsen and Clement (2020) view ecological sustainable procurement practices as strategies put in place to ensure that there is environmental conservation and prevent further

degradation of scarce natural resources. They may include ensuring that the firm is ISO 14001 Certified, eco- design and packaging of products, minimize usage of paper and engaging in electronic procurement, earlier supplier involvement and proper disposal of waste. Economic sustainable procurement practices on the other hand entails practices that put emphasis on the financials and revenues of the firm and ensuring that the firm is financially stable. This may include carrying out audits, competitive buying, complying with the set regulations, investing in resources and being innovative (Grandia & Kruiyen, 2020).

1.1.2 Organizational Performance

Baldrige conditions define performance as the output outcome of products, processes, and services that allows for the comparison and evaluation of an entity's objectives and goals in comparison to those of other firms and itself. It is usually expressed in financial or non-financial terms. One of the challenges that entities face is matching performance measures to an entity's strategy and corporate culture (Ferdows and De Meyer, 1990). Traditionally, organizations measured their performance using financial metrics such as cash flow, return on investment, increased sales, and net profits. Non-financial measures have been used to the greatest extent possible to assess an entity's performance through operational performance. Organizational performance can be defined as how well a company or entity meets its financial and market-oriented objectives (Yasmin, 1999). One of the most significant benefits of pursuing an organizational performance strategy is superior performance that cannot be easily undermined.

Some of the metrics used to measure organizational performance include quality services and goods, cost reduction, on-time deliveries, lead times, and productivity. According to Ho, an entity's efficiency and effectiveness can also be used as a measure of organizational performance (2008). According to Venkatraman and Ramanujam (1986), performance indicators should be measured in terms of financial elements such as increased profit due to increased sales, return on investment, and service delivery. According to Delaney and Huselid (2006), a company's performance should be measured by its quality service and products, satisfied customers, and innovativeness. Green and Inman (2007) conclude that five critical elements can be used to measure the performance of any firm: return on investment, service delivery, sales, profit, and market share growth.

1.1.3 County Governments in Kenya

The County Governments in Kenya is a creation of the 2010 Kenyan Constitution that is the actualization of devolved units as envisioned in the constitution which created the 47 County Governments under Articles 191 and 192 in the fourth schedule (GoK, 2010) which was further reinforced by the County Government Act of 2012 (Appendix II) The functions of the County Governments includes legislations, executive functions and functions transferred from the national government and staffing of public servants at the county level. The counties handle various devolved functions including agriculture, health, advertising control, culture, education, childcare, animal control, transport, policy implementation and coordination (Nga`nga, 2012).

The key aim of devolved governments was to improve delivery of service to the people as well as governing the people in an effective way. Devolution has managed to safeguard the interest of marginalized and minority people in the county governments as well as ensuring that resources are equally shared Karanja (Njiiri, Were & Muturi, 2021). It has also promoted economic and social development at the county level by making services to be accessed easily throughout the devolved counties. Devolution also brought about financial growth due to the taxes and revenues collected by the local government (Njagi, Namusonga & Shale, (2020). Trade has also been promoted due to devolution as new markets have been developed, licensing of trade has been improved and the counties have been able to market themselves through digital and print media as well as issuance of subsidies.

Education has also been promoted through the devolution as bursaries and CGF funds have been increased at the county level and thus the bright but needy students are able to go on with their studies as they receive bursaries from the county governments (Gathu, Gichunge & Senaji, 2021). Devolution of counties has played a major role in creating employment opportunities to the residents of the respective counties. More funds have been channeled through the devolved government and thus development projects have been carried out and governance has also been brought nearer to the people as compared to the previous system where governance and all major decisions took place in the national government as opined by Hope (2014). Devolution has also brought economic growth to the counties as the county government collect revenues from its

residents and carry out development within the county which enhances economic growth as noted by Gathu et al. (2021).

1.2 Research Problem

Sustainable procurement is one of the areas identified by researchers which has a massive potential to boost organizational performance and reduce costs of most organizations both in public and private fronts. There is a growing interest from the public towards the impact of the business on the environment and the society as a whole, and it is forcing many public entities, County Governments included, to embrace the adoption of sustainable procurement practices. Sustainable procurement in Kenya has been used as a medium to achieve various social objectives, such as, reducing unemployment, providing employment to disabled individuals, youth, and women and to marginalized areas and regions in the country, promoting gender and ethnic equality. In Kenya, sustainable procurement has been utilized to achieve a variety of social goals, including lowering unemployment levels, giving work to people with disability, women and youth as well as marginalized communities in the country as well as fostering equality based on ethnic and gender. Public entities have chosen to embrace sustainable procurement practices as they have been established to enhance efficient service delivery as well as reduced overall costs of procurement as pointed out by Mutangili (2021).

Many changes have occurred in Kenya and the public sector as a result of the growth in the level of misuse of public finances and corruption, with the intention of restoring public confidence in the use of state resources. The PPADA (2015) was created to combat some of these issues with the aim of streamlining and giving guidance of the procurement process and aid in achieving service delivery. County governments have been determined to enhance organizational performance and improve service delivery, transparency and accountability of public resources through effective procurement processes. Traditionally, service delivery in the county government to the citizens has been characterized by inefficiency and ineffectiveness due to bureaucracy and un-timeliness occasioned by unsustainable procurement. The county has also been faced with challenges of graft allegations and misappropriating of public funds due to procurement practices which are not sustainable and thus the need to embrace SPP to enhance organizational performance.

Numerous works have been done globally, regionally and locally on sustainable procurement. Globally, Raj, Agrahari and Srivastava (2020) posed a question; Do pressures nurture sustainable public procurement? and they ascertained that attitude of people and internal pressures and on sustainability expressively influences sustainability adoption level in public entities and enhances performance. Dahl and Clement (2020) did a study on the Review of green and SPP and they established that sustainable procurement influences cost, flexibility and timeliness. Leal, Skouloudis, Brandli, Salvia, Avila and Rayman-Bacchus (2019) focused on procurement strategies and sustainability and in higher learning institutions and their findings suggest that entities should develop a procurement purchasing policy strategy and ensure that appropriate means are in place to implement it.

Regionally, Warinda, Nyariki, Wambua, Muasya and Hanjra. (2020) carried out a study on sustainable development in East Africa using a panel data from 1,160 smallholder households in East Africa. From more than 90 implemented projects over a period of 15 years, 23 projects regionally were sampled. It was established that sustainable procurement led to increased benefits like reduced lead time and cycle time, enhanced flexibility and better quality of agricultural products. Anane, Adoma and Awuah. (2019) focused on service delivery and procurement practices in Ghana and established that sustainable procurement, policies governing procurement and effective planning of procurement influenced service delivery. Moses and Kalu (2018) studied public service delivery and procurement practices developing government; Kabale District in South Western Uganda. At 5% significant level, they note that sustainable procurement, policies governing procurement and effective planning of procurement have affirmative and substantial influence on delivery of service.

Locally, Mutangili (2021) focused on public procurement for sustainable development in East Africa and established that SPP is one of the crucial ways to work toward the UNDP's good governance objective of achieving progress that prioritizes the less fortunate, empowers women, protects nature, and provides required job and livelihood opportunities. On performance and sustainable procurement of food and beverage manufacturing entities, Wanja and Odoyo (2020) found that electronic procurement, eco-specification, eco purchasing, and reverse logistics all influenced performance through cost reduction, clean environment and improved products quality. Magembe (2020) focused on environmental performance and sustainable procurement EPZs in

Kenya and established that sustainable procurement influences environmental performance and that sustainable procurement was adopted to a large extent.

From the aforementioned studies, there exists both conceptual (Mutangili, 2021; Raj et.al., 2020; Adjei-Bamfo et.al., 2019) and contextual (Magembe, 2020; Wanja & Odoyo, 2020; Leal et al., 2019; Dahl & Clement, 2020) gaps. It can be deduced that no known study has been carried out on sustainable procurement practices and organizational performance of the county governments in Kenya. The purpose of the study is to ascertain the relationship between organizational performance and sustainable procurement practices of the county governments in Kenya. The study sought to respond to the ensuing questions. What is the extent of adoption of sustainable procurement practices by the county governments in Kenya? What is the correlation between sustainable procurement practices and organizational performance at the county governments in Kenya?

1.3 Research objectives

The main objective was to establish the influence of sustainable procurement practices on organizational performance of the county governments in Kenya.

The specific objectives were;

- i. To establish the extent of adoption of sustainable procurement practices by the county governments in Kenya.
- ii. To determine the relationship between sustainable procurement practices and organizational performance at the county governments in Kenya.

1.4 Value of the study

The outcome shall be instrumental to government entities especially county governments, in linking their organizational performance with sustainable public procurement practices. In Kenya, it is a requirement by the National Treasury that all government entities implement sustainable procurement practices therefore the study will promote government regulatory compliance by public entities.

Other than public entities, the outcome may be replicated by different organizations in improving their organizational performance. The study will inform decision making by managers in various organizations and will help them in implementing practices of sustainable procurement practices at their various institution once they establish that its one way of improving the organizational performance.

The study aims at adding onto the existing knowledge on organizational performance as well as sustainable procurement practices. Analysis and recommendations will help in providing conclusion which will be vital to the supply chain and procurement practitioners, professionals and students. Sustainable procurement practices and its effect on organizational performance is not exhaustively covered hence this will facilitate scholars and students in higher learning institutions in to collecting information which would benefit the whole economy and the globe.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter commences with arguments of the theories founded by the study trailed by a discussion of sustainable procurement practices then empirical review is carried out and the chapter concludes by illustrating diagrammatically the conceptual framework.

2.2 Theoretical Literature review

Numerous theories exist that can be used to explain sustainable procurement practices. The researcher adopted Dynamic Capability theory, Resource Dependency theory and Triple Bottom Line (TBL) theory with the overarching one being Triple Bottom Line. These are discussed next.

2.2.1 Dynamic Capability Theory

Teece, Pisano, and Shuen articulated this theory in (1997). According to Ahmed and Wang (2007), it is the company's capability of renewing, reconfiguring, integrating, and recreating tasks and assets in order to respond to uncertain conditions of work. By bring into line a firm's capabilities, resources and might to alterations in the environment, the company can enhance organizational performance while also gaining competitiveness. Teece et al. (1997) views capabilities as the means by which an entity acquires and accrues diverse competencies and skills that are relatively new and have not been tried. The newly obtained capabilities aid in ensuring that the entity's assets are utilized effectively and efficiently in order to achieve organizational performance.

The theory is pertinent in sustainable procurement because it allows for reconfiguring, renewing, recreating, and integrating useful sustainable materials and practices, as well as policies that can be implemented to meet sustainability goals. In addition, the theory explains how firms can use their dynamic capabilities to achieve organizational performance and gain a competitive advantage in response to the changing environment in which they operate. Firms can develop sustainable procurement practices as dynamic capabilities and explore them in order to achieve organizational performance.

2.2.2 Resource Dependency Theory

The theory was fronted by Godfrey (1998) with the assumption that it is vital for entities in the SC to be reliant on each other if they are to truly enhance their performance and effectiveness. According to RDT, firms in a SC should collaborate and rely on one another to achieve greater performance be competitive in the long-haul instead of chasing intermediate individual gains. For sustained growth, entities as well as other organizations that may be dependent on them, are reliant on resources of others and not by themselves (Pfeffer & Salancik, 1978). RDT assumes that businesses cannot be completely self-reliant in terms of tactically crucial resources for existence. For firms to exist and thrive, they need to work together and share their unique resources if they are to achieve their individual objectives.

The theory is relevant as practices of sustainable procurement rely on interrelation between supply chain partners across the supply chain network i.e. for suppliers to provide rare green materials or products, for the firm to use the materials or products well and for the customers to effectively use and dispose-off the products in the right way as required. According to this theory, partners in the supply chain depend on each other for strategic resources. Therefore, the theory forms the basis of this discussion on sustainable procurement especially through strategic sourcing, collaboration and partnerships with suppliers.

2.2.3 Triple Bottom Line Theory

Business consultant John Elkington devised the notion "triple bottom line" in the 1990s to refer to the economic, ecological and social value of investment that may accumulate outside of a company's financial profit (Elkington, 2004). The TBL school of thought seeks to more accurately evaluate the assets and moderate resources in order to use capital in an efficient and effective way. The notion can be viewed in terms of the three Ps (people, planet, and profit), as explained by Roberts & Cohen (2002),

The concept of triple bottom line aspect is guided by and related to the sustainable development ideology—that development ought to take place in such a manner that the needs of present generations are realized while also preserving the circumstances and prospects for upcoming

generations to do likewise (WCED, 1987). To achieve sustainability, a company should look beyond the single bottom line of profits, according to the triple bottom line theory. Sustainable management is achieved when businesses commit to their communities and the environment, as well as their profits, in a balanced relationship (Braccini & Margherita, 2019).

This theory therefore helps managers and decision makers in determining the way they operate in unpredictable events and situations. Thus, the theory is applicable as it helps decision makers of county governments to make strategic decisions that incorporates the 3PS in their operations and come up with better sustainable procurement practices that influence performance. The theory is also relevant due to the fact that the topic under study is Sustainable procurement and the theory mainly stresses on sustainable strategies that firms put in place to be able to boost their organizational performance and gain competitive edge.

2.3 Sustainable Procurement Practices

Sustainable procurement practices are diverse and can be categorized into three main aspects following the triple pillars of sustainability of Social, Ecological and Economic and they are subsequently discussed

2.3.1. Social Sustainable Procurement Practices

Etse, McMurray and Muenjohn (2021) explain that social sustainable procurement practices entails practices that aims at having the needs and welfare of people in mind and giving back to the society. Social sustainability entails acknowledging the need of social, ecological and economic bearing on a community and the people living there as noted by Opoku and Guthrie (2018). Social public procurement has a positive influence on employment by offering chances to groups of employees otherwise neglected from the labor market such as disadvantaged workers (Stoffel et al., 2019). Social procurement considers socially responsible public procurement (SRPP), which includes promoting satisfactory conditions to work (minimum pay, work schedule and period, high standards of safety and health), human rights and justice (employment equality, promoting decent work, adherence to social and labor rights, and reducing poverty), CSR, social inclusiveness, gender equality and pay and accessibility to all (Sönnichsen & Clement, 2020; Adjei-Bamfo et al., 2019). They may include offering bursaries to the bright but needy students,

having sections for the preference and reservations, sourcing locally, offering better working conditions for the employees as concluded by Wanja and Odoyo (2020).

2.3.2 Ecological Sustainable Procurement Practices

Sönnichsen and Clement (2020) view Ecological sustainable procurement practices as strategies put in place to ensure that there is environmental conservation and prevention of further degradation of scarce natural resources. Environmental components of sustainability have an impact on resource use and non-environmentally friendly activities. Ahsan and Rahman (2017) view ecology concern in procurement to be achieved by implementation of green concept throughout the product lifecycle, from purchase to disposal. These green approaches help businesses achieve environmental sustainability while also enhancing their organizational performance. Stoffel et al. (2019) adds that they may include ensuring that the firm is ISO 14001 Certified, eco- design and packaging of products, minimize usage of paper and engaging in electronic procurement, earlier supplier involvement and proper disposal of waste.

2.3.3 Economic Sustainable Procurement Practices

Economic sustainable procurement practices on the other hand entails practices that put emphasis on the financials and revenues of the firm and ensuring that the firm is financially stable as noted by Stoffel et al. (2019). (Zaidi et al., 2019). Business efficiency, productivity, and profit are the emphasis of economic sustainability efforts. Public entities can achieve broader government goals like fostering supply market innovation, utilizing public funds to enhance meeting of ecological, social, and economic goals (McCrudden, 2014). This is the foundation for incorporating sustainability into sourcing processes to guarantee the stated goals are met. According to the assessments of the SP pillars, each pillar has a role in ensuring that businesses attain efficiency. The practices may include carrying out audits, competitive buying, complying with the set regulations, investing in resources and being innovative (Grandia & Kruyen, 2020).

2.4 Empirical Literature Review

Numerous academic work has been executed on sustainable procurement globally, regionally and locally. Some of the major studies are discussed. Globally, Raj, Agrahari and Srivastava (2020) posed a question; Do pressures encourage long-term public procurement? They discovered that

attitude of people and internal pressures on sustainability substantially impacts adoption of SPP, which enhances efficiency. On e-government and SPP, Adjei-Bamfo, Maloreh-Nyamekye and Ahenkan (2019) stated that e-government allows for a larger sample for assessing market preparedness and a cohesive e-procurement function for efficient SPP tracking and estimation. Systematic literature review was the methodology adopted. Dahl and Clement (2020) did a study on the Review of green and SPP and they established that sustainable procurement influences cost, flexibility and timeliness. The study employed systematic literature review.

Regionally, Warinda, Nyariki, Wambua, Muasya and Hanjra. (2020) carried out a study on Sustainable development in East Africa using a panel data from 1,160 smallholder households in East Africa. From more than 90 implemented projects over 15-year period, 23 projects regionally were sampled. It was established that sustainable procurement led to increased benefits like reduced lead time and cycle time, enhanced flexibility and better quality of agricultural products. It was established that sustainable procurement led to increased benefits like reduced lead time and cycle time, enhanced flexibility and better quality of agricultural products. Anane, Adoma and Awuah (2019) focused on service delivery and procurement practices in Ghana and established that sustainable procurement, policies governing procurement and effective planning of procurement influenced service delivery. Explanatory design and Quantitative research were used in the Volta River Authority study. Moses and Kalu (2018) studied public service delivery and procurement practices of developing government; Kabale District in South Western Uganda. At 5% significant level, they note that sustainable procurement, policies governing procurement and effective planning of procurement have affirmative and substantial influence on delivery of service.

Locally, Mutangili (2021) focused on public procurement for sustainable development in East Africa. Systematic literature review was explored and pertinent literature was appraised to assess the public procurement for sustainable development in East Africa. It was noted that SPP is one of the crucial ways to work toward the UNDP's good governance objective of achieving progress that prioritizes the less fortunate, empowers women, protects nature, and provides required job and livelihood opportunities. On performance and sustainable procurement of food and beverage manufacturing entities, Wanja and Odoyo (2020) found that electronic procurement, eco-specification, eco purchasing, and reverse logistics all influenced performance through cost

reduction, clean environment and improved products quality. Descriptive cross-sectional survey method was used. Magembe (2020) focused on environmental performance and sustainable procurement of EPZs in Kenya using a descriptive design method. The researcher concluded that sustainable procurement influences environmental performance and that sustainable procurement was adopted to a large extent. Green packaging, eco-design and labelling and green procurement were found to influence performance of EPZs in Kenya.

2.5 Summary of Empirical Literature review and Gaps

Table 2. 1 Summary of Studies on Sustainable Procurement Practices

Author(s)	Focus	Methodology	Research Outcome	Research Gap	How gaps are addressed in this study
Adjei-Bamfo et al.(2019)	E-government in SPP	Systematic Literature review	E-Procurement enhances an effective sustainable procurement	Focus was on e-government and sustainable procurement	The study focused on the SPP and organizational performance
Warinda et al. (2020)	Sustainable development in East Africa	Systematic Literature review	Sustainable procurement influenced timeliness and flexibility	The study used Systematic Literature review	The study used complete enumeration (Census) in all counties
Anane et al. (2019)	service delivery and Procurement practices in Ghana	Case Study	SP and planning influences delivery of service	The study only focused on service delivery	covered organizational performance
Mutangili (2021)	Public Procurement for Sustainable Development in East Africa	Systematic Literature Review	Sustainable procurement enhances good governance	Used secondary data	Adopted primary data
Wanja and Odoyo (2020)	sustainable procurement and performance	Descriptive cross-sectional survey	Green purchasing and e-procurement Influences Performance	Mainly focused on food and beverage manufacturing	Focus was on all the County Governments
Magembe (2020)	sustainable procurement & environmental performance	Descriptive survey	Green package and eco design Influences Performance	Focused on environmental performance	Focus was on organizational performance

Source: Author (2021)

2.7 Conceptual Framework

The independent variable is Sustainable Procurement Practices which is represented by environmental procurement practices, social procurement practices and economic procurement practices. The dependent variable is organizational performance which is measured by cost, timeliness and service delivery. Conceptual model is illustrated in figure 2.1 below

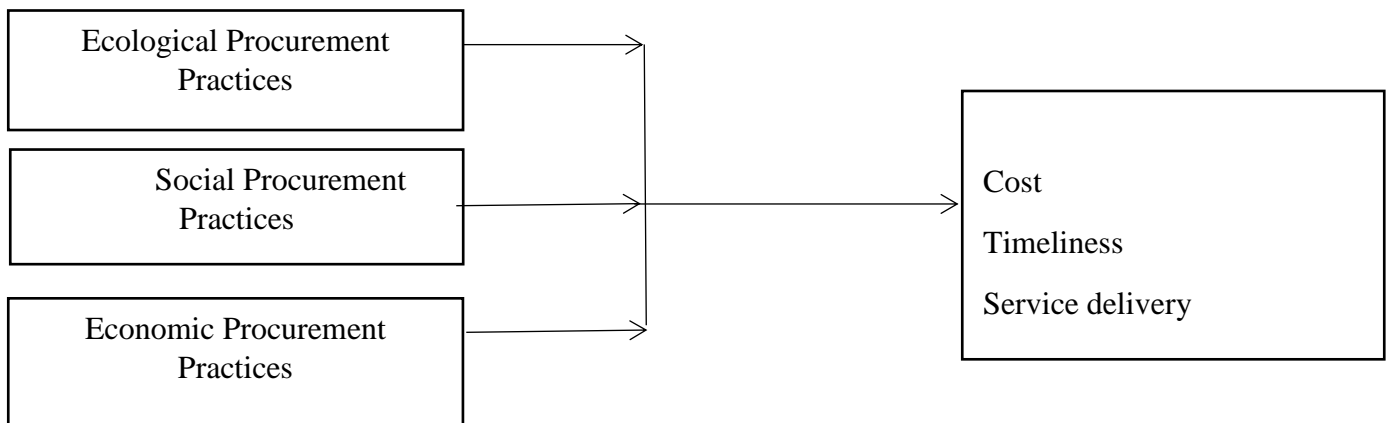
Figure 2. 1 Conceptual Framework

Independent variable

Sustainable Procurement Practices

Dependent variable

Organizational performance



Source: Author (2021)

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

The research design and technique are discussed in this chapter, as well as the demographic, which determines the sample size. It also describes the sampling strategy, data collection procedure and instrument, as well as the methods for analyzing data acquired in the field.

3.2 Research Design

According to Yin (2010), the framework, plan, or system used to produce outcome to the study topic is known as a research design. Descriptive design was adopted and it is a scientific technique of investigation where information is gathered and evaluated to characterize present situations, terminology, or relationships in regard to a topic. Descriptive design enables a researcher to acquire first-hand knowledge while minimizing extraneous variables such as bias information that could taint the findings' legitimacy. Descriptive design is commonly used to collect data without altering the surroundings or modifying the data. It is used to gather information about a current event or phenomenon (Kay, 1997). It highlights the characteristics of unique situations and has the advantage of being adaptable and precise (Kombo & Tromp, 2009). This research approach is deemed acceptable for this study because it allowed inferences to be drawn about sustainable procurement and county government's organizational performance.

3.3 Population

The population were all the Counties in Kenya. Based on the Council of Governors website (2021), there are Forty-Seven (47) County Governments as listed in APPENDIX III. Due to the small and manageable population, Census was the most appropriate method and thus complete enumeration was carried out.

3.4 Data Collection

This study relied on primary data gathered by questionnaires. Where the researcher was not able to access, use of electronic mails was adopted. Demographics, sustainable procurement practices adopted by county governments and levels of organizational performance formed the three

components of the questionnaire. The respondents to the survey consisted of supply chain managers procurement managers, or their equivalents in Kenya's county governments. The responders were chosen because they were in the best position to respond to the queries as they were knowledgeable with the subject under study (sustainable procurement and its influence of organizational performance). A Likert scale was employed to standardize the research instruments and make them easy for the researcher to analyze.

3.5 Data Analysis

The analysis employed quantitative analysis tool (Statistical Package for Social Sciences). Ogula (1998) clarifies that the analysis of data entails summarizing the information and input gathered. SPSS was used to fill in the data which was then be analyzed by descriptive statistics. The data was then tabulated to show the correlation between practices of sustainable procurement and organizational performance. The demographic information together with objectives one was analyzed using descriptive statistics while objective two was analyzed through regression analysis. Four regression analysis were carried out

Regression model is;

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e \dots\dots\dots (iv)$$

$$Y_1 = a + b_1X_1 + b_2X_2 + b_3X_3 + e \dots\dots\dots (i)$$

$$Y_2 = a + b_1X_1 + b_2X_2 + b_3X_3 + e \dots\dots\dots (ii)$$

$$Y_3 = a + b_1X_1 + b_2X_2 + b_3X_3 + e \dots\dots\dots (iii)$$

Where: Y = Organizational Performance

Y_1 = Cost

Y_2 = Timeliness

Y_3 = Service delivery

a = constant

$b_1 - b_3$ = are the regression coefficients for the respective independent variables

$X_1 - X_3$ = Independent Variables

Where

X_1 = Ecological procurement practices

X₂= Social procurement practices

X₃= Economic procurement practices

e is the error term

Table 3. 1 Summary of Data Collection and Analysis Method

Objective	Questionnaire	Data Analysis
Demographic data	A	Descriptive Statistics
Extent of adoption of sustainable procurement practices in county governments of Kenya	B	Descriptive statistics
Effect of implementation of sustainable procurement on performance in county governments of Kenya	C	Regression analysis

Source; Author (2021)

CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSIONS

4.1 Introduction

This chapter analyses the background information, extent of adopting sustainable procurement, the correlation amongst sustainable procurement and performance and discusses the outcomes.

4.2 Response rate

The targeted population were all the 47 County Governments in Kenya whereby a single questionnaire was administered in each county. Out of the 47 respondents, 38 questionnaires were returned being dully filled. This represents 80.85% rate of response and is considered satisfactory for analysis.

4.3 Background Information

This was segmented into the job title, period of service and highest education level and outcome are presented in table 4.1

Table 4. 1 General Information

Job Title	Frequency	Percentage (%)
Supply chain Director	11	28.95
Supply chain managers	21	55.26
Supply chain officers	6	15.79
Period of service(years)		
0 -1	4	10.53
1 -5	8	21.05
5 -10	15	39.47
Over 10	11	28.95
Highest Education Level		
Diploma	3	7.89
Bachelor's degree	19	50.00
Master's degree	11	28.95
Doctoral degree	5	13.16
Total	38	100

Source; Research Data (2021)

Table 4.1 illustrates that 28.95% of the study participants represented supply chain directors, 55.26 supply chain managers whereas 15.79% denoted supply chain/ Procurement officers. The outcome suggests that a big percentage of the respondents (84.21%) were directors and managers occupying managerial positions at the county governments and were knowledgeable on the subject being studied.

On the period of work under the positions that they held, 10.53% had worked for below one year, 21.05% had worked for between one to five years, 39.47% had worked for five to ten years while 28.95 had worked for over ten years. Thus 68.42% of the officers and managers had worked for a time frame exceeding five years, an indication that they had amassed enough knowledge and experience to participate in the study and give credible feedback.

On the level of education, 7.89% had attained diploma as the highest education level, 50% possessed bachelor's degree, 28.95% master's degree while 13.16% attained doctoral degree as their topmost education achievements. Hence, the majority (92.11%) of the participants had attained higher than bachelor's as their highest education levels and thus were learned enough, an indication that the county governments employs learned and competent people to fill the positions.

4.4 Extent of sustainable procurement adoption

Objective one of the research was to determine the extent that the county governments in Kenya had adopted sustainable procurement practices and a 5-point Likert scale was embraced. Sustainable procurement practices were divided on the triple bottom line aspect of ecological, social and economic procurement practices and they are discussed as follows.

4.4.1 Ecological procurement practices

The adoption of ecological procurement practices was rated and the results are tabulated in 4.2.

Table 4. 2 Ecological procurement practices

Factors	Mean	Std. Dev
The entity only procure eco-friendly products	3.21	1.78
The entity is ISO 14001 Certified	3.58	1.49
The entity practice early supplier involvement	3.43	1.62
The entity encourages E-Procurement through IFMIS	3.71	1.29
The entity properly dispose-off waste	3.23	1.79
Aggregate score	3.43	1.48

Source: Research Data (2021)

Table 4.2 demonstrates that the entity being ISO 14001 certified (M-3.58, SD-1.49) and firm encouraging E-Procurement through IFMIS (M-3.71, SD-1.29) were both adopted to a large extent by the county governments in Kenya as indicated by their individual mean and deviations. The entity procuring eco-friendly products (M-3.21, SD-1.78), the entity practicing early supplier involvement (M-3.43, SD-1.62) and proper disposal of waste (M-3.23, SD-1.79) were adopted to a moderate extent by the county governments in Kenya. The aggregate score shows that ecological procurement practices were adopted to a moderate extent (M-3.43, SD- 1.48) by the county governments of Kenya

4.4.2 Social procurement practices

Tabulated in 4.3 are the specific scores of economic social procurement practices

Table 4. 3 Social procurement practices

Factors	Mean	Std. Dev
The entity implement preference and reservation section of the PPADA (2015)	3.56	1.68
The entity pays the suppliers on time	3.22	1.79
The entity gives preference to the local suppliers	3.54	1.66
The entity carries out Corporate Social Responsibility	3.12	1.57
The entity does not encourage discrimination in tendering process	3.31	1.71
Aggregate score	3.35	1.61

Source: Research Data (2021)

Table 4.3 shows that the implementation preference and reservation section of the PPADA (2015) with the (M- 3.56, SD-1.68) and giving preference to the local suppliers (M-3.54, SD-1.66) were both adopted to a large extent by the county governments in Kenya as indicated by their individual mean and deviations. Payment of suppliers on time (M-3.22 SD- 1.79), carrying out Corporate Social Responsibility activities (M-3.12, SD-1.57) and discouragement discrimination in tendering (M-3.31, SD-1.71) were adopted to a moderate extent by the county governments in Kenya.

The aggregate score indicates that social procurement practices were adopted to a moderate extent by the county governments with the M of 3.35 and standard deviation of 1.61

4.4.3 Economic procurement practices

Tabulated in 4.4 are the specific scores of economic procurement practices

Table 4. 4 Economic procurement practices

Economic procurement practices	Mean	Std. Dev
The entity source competitively and practice competitive bidding	4.02	0.98
The entity complies with the set regulations	3.41	1.39
The entity carries out regular procurement audits for accountability and transparency	3.43	1.59
The entity only procure what is needed or necessary	3.67	1.48
The entity has automated systems and integration of processes and departments to enhance service delivery	3.62	1.49
Aggregate score	3.63	1.45

Source: Research Data (2021)

Table 4.3 affirms that sourcing competitively and practicing competitive bidding with the (M-4.02, SD-0.98), only procuring what is needed necessary (M-3.67, SD- 1.48) and having an automated systems and integration of processes and departments to enhance service delivery with (M- 3.62, SD-1.49) were all adopted to a large extent by the county governments in Kenya as indicated by their individual mean and deviations. Complying with the set regulations (M=3.43 SD=1.59) and carrying out regular procurement audits for accountability and transparency were adopted to a moderate extent (M= 3.62, SD=1.49) by the county governments in Kenya.

On aggregate score, economic procurement practices were adopted to a large extent by the county governments of Kenya with the mean of 3.63 and standard deviation of 1.45

4.4.4 Ranking of sustainable procurement practices

Sustainable procurement practices were ranked as per their level of adoption and table 4.6 presents the outcome.

Table 4. 5 Ranking of sustainable procurement practices

Sustainable procurement Practices	Mean	Std. Dev	Ranking
Economic procurement practices	3.63	1.45	1
Ecological procurement practices	3.43	1.68	2
Social procurement practices	3.35	1.61	3

Source: Research Data (2021)

Table 4.6 confirms that economical procurement practices was firstly ranked based on the level of adoption as it was adopted to a large extent with the mean of 3.63 and SD of 1.45 by the county governments in Kenya. The findings concur with those of McCrudden (2014) who found that economic procurement practices enhance business efficiency, productivity, and profit. Ahsan and Rahman (2017) add that public entities can achieve broader government goals like fostering supply market innovation, utilizing public funds to enhance meeting of ecological, social, and economic goals upon the adoption of economic procurement. Dahl and Clement (2020) found that economic procurement enhances transparency and accountability of public resources as well as aids in risk management and avoiding unnecessary penalties as it enhances compliance to the set regulations.

Ecological procurement practices was secondly ranked and it was adopted to a moderate extent with the mean of 3.43 and SD of 1.68 by the county governments in Kenya. The findings does not align with that of Sönnichsen and Clement (2020) who view Ecological sustainable procurement practices as strategies that aims at ensuring that there is environmental conservation and prevention of further degradation of scare natural resources and thus is vital for any entity. Stoffel et al. (2019) found that ecological procurement practices is important as it helps businesses achieve environmental sustainability while also enhancing their organizational performance. Ecological procurement is vital as it aids in the reduction of waste, increased efficiency and gives entities

practicing it a competitive edge (Ahsan & Rahman, 2017; Dahl & Clement, 2020; Njagi, et al., 2020).

Socially procurement practices was thirdly ranked, also adopted to a moderate extent with the mean of 3.35 and SD of 1.61 by the county governments in Kenya. The outcome contradicts those of Stoffel et al. (2019) who found that social public procurement has a positive influence on employment by offering chances to groups of employees otherwise neglected from the labor market such as disadvantaged workers. Sönnichsen & Clement (2020) add that social procurement is vital in promoting satisfactory conditions to work (minimum pay, work schedule and period, high standards of safety and health), human rights and justice (employment equality, promoting decent work, adherence to social and labor rights, and reducing poverty), CSR, social inclusiveness, gender equality and pay and accessibility to all

4.5 Sustainable procurement and organizational performance

Objective (ii) was to ascertain the correlation amongst sustainable procurement practices and organization performance which was operationalized by cost, timeliness and service delivery and are subsequently presented.

4.5.1 Sustainable procurement and Cost

The researcher wanted to establish the correlation between sustainable procurement and cost and the outcome are tabulated in 4.7

Table 4. 6 Regression Coefficient of Cost

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	2.036	.405		5.027	.000
1 Ecological Procurement	-.182	.211	-.210	-.862	.395
Social Procurement	-.251	.127	-.347	-1.976	.056
Economic Procurement	.641	.186	.958	3.446	.002

a. Dependent Variable: Cost

Source: Research Data (2021)

$$Y_1 = 2.036 - .182X_1 - .251X_2 + .641X_3 \dots\dots\dots(i)$$

The outcome of 4.7 confirms that the P value of social procurement (t=-.976, P<0.05 and economic procurement (t=1.3.446, P<0.05) are less than 5% (P< 0.05) which indicates that social and economic procurement practices have a statistically noteworthy correlation with cost at the county governments and thus sustainable procurement practices influences cost. Ecological procurement (t=1.409, P<0.05) had a p value that exceeds 0.05 and thus does not influence Cost

Table 4. 7 Model Summary of cost

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.770 ^a	.592	.544	.49898

a. Predictors: (Constant), Economic Procurement, Social Procurement, Ecological Procurement

Source: Research data (2021)

As shown in table 4.8, R² is 0.592 and when converted is 59%. This means that the model is noteworthy and 59% of cost at the county government is accredited to ecological, social and economic procurement practices. The Anova analysis tabulated in 4.9

Table 4. 8 ANOVA analysis of cost

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	12.304	3	3.076	12.354	.001 ^b
1 Residual	8.465	34	.249		
Total	20.769	37			

a. Dependent Variable: Cost

b. Predictors: (Constant), Economic Procurement, Social Procurement, Ecological Procurement

Source: Research Data (2021)

Table 4.9 illustrate that F is 12.354 and F critical is 3.076 thus the model is noteworthy statistically and is reinforced by the value of P .001 at below 5%. Therefore, ecological procurement, social procurement and economic procurement practices suitably predicts cost. The outcome is consistent

with those of Clement (2020); Stoffel et al. (2019) and Warinda et al. (2020) who found that sustainable procurement influences cost

4.5.2 Sustainable procurement and timeliness

Data was regressed to establish the association between sustainable procurement and timeliness share and the outcome are shown in table 4.10.

Table 4. 9 Regression Coefficient of timeliness

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.478	.690		3.591	.001
1 Ecological Procurement	1.294	.220	.240	5.882	.011
Social Procurement	.281	.100	.451	2.811	.008
Economic Performance	.321	.136	.423	2.360	.024

a. Dependent Variable: Timeliness

Source: Research Data (2021)

$$Y_2 = 2.478 + 1.294X_1 + .281X_2 + .321X_3 \dots\dots\dots (ii)$$

From table 4.10, the outcome illustrates that the P value of ecological procurement (t=5.882, P<0.05), social procurement (t=2.811, P<0.05) and economic procurement (t=2.360, P<0.05) are less than 5% (P< 0.05) a confirmation that ecological, social and economic procurement practices all contain a statistical noteworthy correlation with timeliness of the county governments in Kenya and thus sustainable procurement practices influences timeliness. The outcome in concurrence with literature of Warinda et al. (2020) who ascertained that sustainable procurement led to increased benefits like reduced lead time and cycle time as well as enhanced flexibility and better quality of agricultural products. Stoffel et al. (2019) notes that sustainable procurement enhances timely delivery of products and services and minimizes lead and cycle time.

Table 4. 10 Model Summary of timeliness

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.760 ^a	.613	.552	.53830

a. Predictors: (Constant), Economic Procurement, Social Procurement, Ecological Procurement

Source: Research data (2021)

As portrayed in Table 4.11, R^2 is 61.3% inferring that 61% of the changes in timeliness is upon the adoption of ecological procurement, social procurement and economic procurement practices. The results of the ANOVA tabulated in 4.12.

Table 4. 11 ANOVA Analysis of timeliness

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	4.490	3	1.497	5.165	.005 ^b
1 Residual	9.852	34	.290		
Total	14.342	37			

a. Dependent Variable: Timeliness

b. Predictors: (Constant), Economic Procurement, Social Procurement, Ecological Procurement

Source: Research Data (2021)

Table 4.12 portrays the calculated value of F as 5.165 with F critical as 1.497 thus the model suitably predicts timeliness. This is corroborated by the P value of 0.005 and does not exceed 5% and thus ecological procurement, social procurement and economic procurement practices are a suitable predictor of timeliness at the county governments of Kenya.

4.5.3 Sustainable procurement and service delivery

Data was regressed to establish the correlation amongst sustainable procurement and delivery of service and the outcome are tabulated in 4.13.

Table 4. 12 Regression Coefficient of service delivery

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	3.191	.809		3.944	.000
Ecological Procurement	1.028	.258	.019	3.984	.014
Social Procurement	.364	.117	.486	3.111	.004
Economic Performance	.539	.159	.590	3.389	.002

a. Dependent Variable: Service Delivery

Source: Research Data (2021)

$$Y_3 = 3.191 + 1.028X_1 + .364X_2 + .539X_3 \dots\dots\dots (iii)$$

From table 4.13, the outcome shows that the P value of X_1 ($t=3.944$, $P<0.05$), X_2 ($t=3.111$, $P<0.05$) and X_3 ($t=3.389$, $P<0.05$) for ecological procurement, social procurement and economic procurement practices are less than 5% ($P< 0.05$) which indicates that sustainable procurement practices (ecological, social and economic) have a statistically noteworthy correlation with service delivery of the county governments and that service delivery is impacted by sustainable procurement practices. Sustainable procurement has been established to enhance service delivery as noted by literature (Clement, 2020; Warinda et al., 2020; Anane et al., 2019; Moses and Kalu, 2018). The model summary table is tabulated

Table 4. 13 Model Summary of service delivery

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.790 ^a	.648	.591	.63093

a. Predictors: (Constant), Economic Procurement, Social Procurement, Ecological Procurement

Source: Research data (2021)

Table 4.14 places R^2 at 64.8% inferring that 65% of the changes in service delivery is explained by the application of ecological, social and economic procurement. ANOVA outcome is tabulated in 4.15.

Table 4. 14 ANOVA Analysis of profit

ANOVA^a

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	7.229	3	2.410	6.053	.002 ^b
1 Residual	13.534	34	.398		
Total	20.763	37			

a. Dependent Variable: Service Delivery

b. Predictors: (Constant), Economic Procurement, Social Procurement, Ecological Procurement

Source: Research Data (2021)

Table 4.15 displays that F calculated is 6.053 and F critical is 2.410 inferring that the model is statistically noteworthy. This is corroborated by $0.002 < 0.05$ significance. This infers that ecological procurement, social procurement and economic procurement influence service delivery of the county governments in Kenya.

4.5.4 Sustainable procurement and organizational performance

The research aimed at examining the correlation amongst sustainable procurement practices and organizational performance and the outcome are as subsequently illustrated.

Table 4. 15 Regression Model Summary of organizational performance

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.738 ^a	.645	.491	.40095

a. Predictors: (Constant), Economic Procurement, Social Procurement, Ecological Procurement

Source: Research Data (2021)

As per table 4.16, R^2 is 0.645 that transforms to 65%. This infers that 65% of organizational performance is accredited to sustainable procurement practices. This is thus a noteworthy fit as a paltry 35% of the changes in organizational performance is unaccounted for. Analysis of variance is tabulated in 4.17

Table 4. 16 ANOVA Analysis of organizational performance

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	6.534	3	1.634	10.162	.000 ^b
	Residual	5.466	34	.161		
	Total	12.000	37			

a. Dependent Variable: Organizational Performance

b. Predictors: (Constant), Economic Procurement, Social Procurement, Ecological Procurement

Source: Research data (2021)

Based on table 4.17, the model significant value is 1.634 (F=10.162) and the P value does not exceed 0.05 (5%). This infers that sustainable procurement is a suitable predictor of organizational performance. Table 4.18 displays the coefficients of organizational performance.

Table 4. 17 Coefficients Analysis of organizational performance

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.067	.619		3.339	.002
	Ecological Procurement	.190	.158	.161	1.202	.037
	Social Procurement	-.516	.144	.552	-3.583	.061
	Economic Procurement	.656	.085	.094	7.717	.013

b. Dependent Variable: Organizational Performance

Source: Research Data (2021)

Linear regression equation:

$$Y = 2.067 + .190X_1 - 0.516X_2 + 0.656X_3$$

Where

Y = Organizational performance

X₁= Ecological procurement practices

X₂= Social procurement practices

X₃= Economic procurement practices

From table 4.15, sustainable procurement practices of ecological procurement ($t=1.202$, $P<0.05$) and Economic procurement ($t=7.717$, $P<0.05$) had a p value that does not exceed 5% an indication that they influence organizational performance in the county governments of Kenya. Social procurement ($t=-3.583$, $P>0.05$) had no relationship with organizational performance as indicated by a p value that exceeds 5% indicating that social procurement practices do not influence organizational performance of the county governments in Kenya. The model infers that when economic, ecological and social procurement are held at zero, the value of organizational performance becomes 2.067.

From the outcome, mixed findings were established as ecological and economic procurement practices were found to influence organizational performance while social procurement practices were found to have no influence on organizational performance. The findings thus concurs as well as contradicts with the literature. The findings are consistent with that of McCrudden (2014) who found that economic procurement practices enhance business efficiency, cost, and timeliness Ahsan and Rahman (2017) add that public entities can achieve broader government goals like fostering supply market innovation, utilizing public funds to enhance meeting of ecological, social, and economic goals upon the adoption of economic procurement. Dahl and Clement (2020) found that economic procurement enhances transparency and accountability of public resources as well as aids in risk management and avoiding unnecessary penalties as it enhances compliance to the set regulations.

The outcome aligns with that of Sönnichsen and Clement (2020) who found that ecological procurement influences performance through cost reduction and enhanced delivery of service. Stoffel et al. (2019) found that ecological procurement practices is important as it helps businesses achieve environmental sustainability while also enhancing their organizational performance. Ecological procurement is vital as it aids in the reduction of waste, increased efficiency and gives entities practicing it a competitive edge (Ahsan & Rahman, 2017; Dahl & Clement, 2020; Njagi, et al., 2020).

On contradictory outcome, Stoffel et al. (2019) found that social public procurement has a positive influence on performance through workers motivation and service delivery. Sönnichsen & Clement (2020) add that social procurement is vital in promoting satisfactory conditions to work and enhances employee satisfaction which is directly witnessed in improved firm's performance.

CHAPTER FIVE:

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This section discussed and summarizes the study's outcome as well as draw conclusions from the key outcomes of the research. Limitations, proposed suggestions and Recommendations on further study are covered.

5.2 Summary of Findings

The outcome are summarized as per objectives.

On the level of adoption of sustainable procurement by the county governments, the study was operationalized to ecological procurement practices, social procurement practices and economic procurement practices. The outcome indicate that economic procurement was adopted to a large extent while ecological procurement practices and social procurement practices were adopted to a moderate extent by the county governments of Kenya. Firstly, ranked was economic procurement practices which was adopted to a large extent. This was achieved by sourcing competitively and practicing competitive bidding, procuring only what is needed and having an automated systems and integration of processes and departments to enhance service delivery Complying with the set regulations and carrying out regular procurement audits for accountability and transparency were also adopted to enhance the adoption of economic procurement practices to a large extent by the county governments in Kenya.

Secondly ranked, to a moderate extent, was ecological procurement practices. The county governments in Kenya adopted ISO 14001 certification, encouraged electronic procurement through IFMIS, procuring eco-friendly products, practicing early supplier involvement and proper disposal of waste were adopted in a bid to adopt ecological procurement practices by the county governments in Kenya. Thirdly ranked by the county governments in Kenya was social procurement practices which was adopted to a moderate extent. The county governments implemented preference and reservation section of the PPADA (2015) as well as giving preference to the local suppliers. Payment of suppliers on time, carrying out Corporate Social Responsibility activities and discouraging discrimination in tendering were also adopted as social procurement practices by the county governments in Kenya.

On the individual impact of sustainable procurement on organizational performance, sustainable procurement practices (social and economic procurement) were found to influence cost, timeliness and service delivery of the county governments in Kenya. Ecological procurement practices were found to have no influence on Cost. The general findings of the study indicate that economic procurement and ecological procurement practices influenced organizational performance while social procurement practices did not influence organizational performance of the county governments in Kenya.

5.3 Conclusion

The study aimed at establishing the influence of sustainable procurement and organizational performance of the county governments in Kenya. On objective one, it has been established that economic procurement practices were largely adopted by the county government of Kenya. This is an indication that the county governments view economic procurement practices as a strategic tool that can be used to enhance their organizational performance and thus the need to adopt them to a large extent. Ecological and social procurement were moderately adopted by the county governments in Kenya. It is thus concluded that the county governments did not put much emphasis on ecological and social procurement practices in as much as they have been established to have numerous benefits upon their adoption. This is an indication that the study achieved its first objective.

On individual organizational performance metrics, the study concludes that social procurement practices and economic procurement practices influenced cost, timeliness and service delivery while ecological procurement practice had no influence on Cost at the county governments in Kenya. On establishing the correlation amongst sustainable procurement and organizational performance of the county governments in Kenya, it is concluded that ecological and economic procurement practices has an affirmative and substantial correlation with organizational performance and economic and ecological procurement influences organizational performance. Social procurement practices was found to have no impact on organizational performance of the county governments in Kenya. The second objective was hence achieved.

5.4 Recommendations form the study

The paper recommends that ecological procurement practices be adopted to a large extent by the county governments in Kenya as it was moderately adopted. This is despite the literature showing that there are numerous benefits of adopting ecological procurement practices. For instance, ecological sustainable procurement practices ensure that there is environmental conservation and prevention of further degradation of scarce natural resources and thus is vital for any entity. Ecological procurement practices is also important as it helps businesses achieve environmental sustainability while also enhancing their organizational performance. Ecological procurement is vital as it aids in the reduction of waste, increased efficiency and gives entities practicing it a competitive edge.

Socially procurement practices were also moderately adopted and it is recommended that they be adopted to a large extent by the county governments in Kenya due to the benefits that they have on entities. Social procurement practices have been found to have a positive influence on employment by offering chances to groups of employees otherwise neglected from the labor market such as disadvantaged workers. It is also vital in promoting satisfactory conditions to work (minimum pay, work schedule and period, high standards of safety and health), human rights and justice (employment equality, promoting decent work, adherence to social and labor rights, and reducing poverty), CSR, social inclusiveness, gender equality and pay and accessibility to all

In as much as economical procurement practices were found to have been largely adopted by the county governments in Kenya. The paper recommends additional emphasis on the practices and adopt them to a very large extent so as to enhance the margin of its influence on performance. Economic procurement practices have been found to be beneficial as they enhance business efficiency, productivity, and profit. Public entities can achieve broader government goals like fostering supply market innovation, utilizing public funds to enhance meeting of ecological, social, and economic goals upon the adoption of economic procurement. Economic procurement practices also enhance resource utilization of public resources and aids in risk management and avoiding unnecessary penalties as it enhances compliance to the set regulations

Since ecological, social and economic procurement practices have been found to influence cost, timeliness and service delivery, it is recommended that the county governments adopt the said

practices to a very large extent to enhance organizational performance. The study also recommends that the county government adopt social procurement practices to a very large extent to see if they will have influence of the organizational performance as the study has established that social procurement practices do not influence organizational performance.

5.5 Limitations of the study

This research was unable to obtain 100% response due to unavailability of the targeted respondents and strict company policy of not revealing information to outsiders. The respondents were however convinced on discretion of their feedbacks as it was solely for academic reasons and non-other. In as much as not all the questionnaires were filled and returned, those filled and returned met the threshold of giving a clear indication and picture of the industry and was enough for the research.

Due to the emergence of Covid-19, the study was limited in that the researcher could not gain access to the County governments to drop the questionnaires and interact with the respondents. This limitation however did not interfere with the study as the questionnaires were administered through e-mails and use of google forms whereby the data of the study was collected and used for analysis.

Another limitation was that the study only used primary data and secondary data was overlooked. However, this did not interfere with the validity and reliability of the study as the information obtained was satisfactory and sufficient for analysis.

The study was costly due to the expenses incurred in data collection and compiling of the data. There were time constraints especially with respondents and data collection.

5.6 Suggestions for Further Research

The upcoming research may focus on other factors that hindered sustainable procurement to fully impact organizational performance. The constructs of the study can be copied by diverse researchers to ascertain if the outcome of this research may yield the exact outcome if it is performed in diverse industries. The researcher suggests that further research can compare sustainable procurement practices with either financial, supply chain performance or competitiveness to ascertain if the same outcome will be yielded.

Future studies may also focus of the factors that drives entities to adopt sustainable procurement as well as the milestones encountered while implementing sustainable procurement by any other sector.

The study had just two variables with three sub variables under sustainable procurement being environmental, social and economic procurement practices. It is suggested that other studies can add onto other variables, either moderating or intervening variables, and monitor the outcome of the study if it will be the same.

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APPENDIX I: INTRODUCTION LETTER



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05 November 2021

TO WHOM IT MAY CONCERN

Dear Sir/Madam,

INTRODUCTORY LETTER FOR RESEARCH
DAISY MUENI MUEMA – REGISTRATION NO. D67/10033/2018

This is to confirm that the above named is a bona fide student in the Master of Science in Supply Chain Management (MSc. Supply Chain Management) option degree program in this University. She is conducting research on "***Sustainable Procurement Practices and Organizational Performance in the County Governments***".

The purpose of this letter is to kindly request you to assist and facilitate the student with necessary data which forms an integral part of the research project. The information and data required is needed for academic purposes only and will be treated in **Strict-Confidence**.

Your assistance will be highly appreciated.

Thank you.


↓ **PROF. JACKSON MAALU**
DEAN, FACULTY OF BUSINESS AND MANAGEMENT SCIENCES

APPENDIX II: QUESTIONNAIRE

The Questionnaire is drafted to support the data collection associated with **SUSTAINABLE PROCUREMENT AND ORGANIZATIONAL PERFORMANCE OF THE COUNTY GOVERNMENTS IN KENYA.**

SECTION A: DEMOGRAPHIC INFORMATION

1. Kindly name your County?

..... (Optional)

2. Kindly indicate your highest academic level

- a) Certificate/Diploma { }
- b) Bachelor's Degree { }
- c) Master's Degree { }
- d) Doctoral Degree { }

3. Kindly indicate your capacity at the county?

- a) Supply Chain Director { }
- b) Supply Chain Manager { }
- c) Procurement Manager { }
- d) Supply Chain/Procurement Officer { }

4. Check the timeframe of your service at the County Government

- | | | | |
|------------------|------------------------------|---------------|------------------------------|
| Less than a year | [<input type="checkbox"/>] | 1-5 years | [<input type="checkbox"/>] |
| 6-10 years | [<input type="checkbox"/>] | Over 10 years | [<input type="checkbox"/>] |

SECTION B: EXTENT OF SUSTAINABLE PROCUREMENT ADOPTION

Rank the level that the subsequent Sustainable Procurement Practices have been adopted by the County Government. Adopt the subsequent key; 1- very small extent, 2- small extent, 3- medium extent, 4- large extent and 5- very large extent.

SUSTAINABLE PROCUREMENT PRACTICES

RATING

SOCIAL SUSTAINABLE PROCUREMENT	1	2	3	4	5
We implement preference and reservation section of the PPADA (2015)					
We pay our suppliers on time					
We give preference to the local suppliers					
We carry out Corporate Social Responsibility					
We don't encourage discrimination in tendering process					
ECOLOGICAL SUSTAINABLE PROCUREMENT	1	2	3	4	5
We only procure eco-friendly products					
We are ISO 14001 Certified					
We practice early supplier involvement					
We encourage E-Procurement through IFMIS					
We properly dispose off waste					
ECONOMIC SUSTAINABLE PROCUREMENT	1	2	3	4	5
We source competitively and practice competitive bidding					
We comply with the set regulations					
We carry out regular procurement Audits for accountability and transparency					
We only procure what we need and is necessary					
We have automated systems and integration of processes and departments to enhance service delivery					

Others (kindly elaborate)

.....

SECTION C: Organizational performance outcomes from the adoption of Sustainable Procurement Practices.

6. Sustainable Procurement Practices has been established to influence organizational performance of organizations that have implemented it. Kindly show the extent that your County has experienced the subsequent organizational performance results as a result of using Sustainable Procurement Practices. Kindly a 1-5 ranking scale

Organizational performance Outcomes **Rating**

Organizational performance Metrics	1	2	3	4	5
Cost					
Timeliness					
Service delivery					

THANK YOU FOR YOUR TIME AND HELP

APPENDIX III: LIST OF COUNTY GOVERNMENT IN KENYA

Source: Council of Governors (2021)

[Http.www.cog.go.ke](http://www.cog.go.ke)