

**FACTORS AFFECTING IMPLEMENTATION OF PUBLIC PROCUREMENT
REFORMS IN COUNTY GOVERNMENTS IN KENYA**

BY

ALLAN OJUKA OTIENO

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DECLARATION

Student Declaration

This research proposal is my original work and has not been submitted for a degree in any other university.

Signature..... Date.....

ALLAN OJUKA OTIENO

D61/60134/2011

Supervisors' Declaration

This proposal has been submitted for review with my approval as University Supervisor

Name: **MICHAEL K CHIRCHIR**

Signature..... Date.....

School of Business

DEDICATION

This proposal is dedicated to my family and friends who stood by me and encouraged me in throughout this work. Your combined moral support and company were a great source of strength and encouragement. I would not have made it without your love, sacrifice, and devotion.

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I would like to express my immense thankfulness to all those who gave me the possibility to complete this Research Proposal. My most profound gratitude goes to my supervisor, family, friends, and classmates for their unconditional concern, encouragement, and steadfast support always.

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ABBREVIATIONS & ACRONYMS

B2B	-	Business-to- Business
CIPS	-	certified Institute of Purchasing and Supplies
GDP	-	Gross Domestic Product
GOK	-	Government of Kenya
ICT	-	Information Communication and Technology
KACC	-	Kenya Anti-Corruption Commission
MRO	-	Maintenance, Repairs, and Operations
PPDA	-	Public Procurement and Disposal Act
PPOA	-	Public Procurement Oversight Authority
PPARB	-	Public Procurement Administration Review Board
ROK	-	Republic of Kenya
SCM	-	Supply Chain Management
SPSS	-	Statistical Package for Social Sciences
TI	-	Transparency International
VFM	-	Value for Money

DEFINITION OF TERMS

Procurement- is the acquisition of goods, works, and/or services at the best possible total cost of ownership, in the right quality and quantity, at the right time, in the right place and from the right source for the direct benefit or use of corporations, individual, or even governments (De Boer & Telgen, 2012).

Transparency- Refers to openness that provides an assurance for both domestic and foreign investors that contract will be awarded in a fair and equitable manner (Azeem, 2009).

Globalization- The process of increasing the connectivity and interdependence of the world's markets and business (Knudsen, 2010).

Value for money- Is the consideration of the contribution to be made for advancing government policies and priorities while achieving the best return and performance for the money being spent (van Weele, 2005).

Corruption- has the meaning assigned to it in the Anti-Corruption and Economic Crimes Act 2003 and includes the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement or disposal process or in contract execution (Van Weele, 2005).

Theory- is a conceptual basis for understanding, analyzing and designing ways to investigate relationships within social system (Torraco, 2010). Bull (2011) defines a theory as a set of interrelated concepts prepositions or definition presenting a systematic view of phenomenon.

ABSTRACT

Public procurement involves heavily in the purchase of goods, services and public works by government and public entities. While Kenya spends nearly Kshs 500 billion per year on the public procurement. Losses attributable to malpractices approximates Kshs 300 billion per year (World Bank, 2010). The public procurement and disposal Act 2005 was introduced in Kenya to streamline the anomalies in the public procurement. The implementation of the Public Procurement and Disposal Act 2005 has been quit challenging coupled with a number of inefficiencies. The inauguration of the new constitution 2010 which outlines principles for public procurement, the launch of public procurement disposal(preference and reservations) regulations 2011 and public procurement and disposal (county governments) regulations 2013 it's an effort towards the reform path but still a lot has to be done to overhaul the entire system. The objective of the study is to establish factors affecting the implementation of public procurement reforms in County Governments in Kenya. Descriptive research design was used in the study because it enables the study to generalize its findings (Cooper & Schindler, 2003).The target population for this study was the Procurement Manager & Financial Managers in the Counties or their equivalents who are involved in the procurement process. The study examined a sample of staff drawn from a population of 36 Counties out of the 47. Data analysis was done via SPSS and Microsoft Excel to generate quantitative reports through tabulations, percentages and measured central tendency. The findings of this study can be useful to counties that will be keen implement public procurement reforms as this study shows employee knowledge and skills, top management support, project team and county governments goals and objectives contributes much to implementation of public procurement reforms in county governments in Kenya. Although the study focused on the County governments, the researcher did not consider whether the size of the County Governments had an impact on the public procurement reforms implementation. Future studies could look at factors influencing public procurement reforms implementation based on the size of the Counties. The scope could also be extended to include other countries with similar structures.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Reducing cost of public procurement is a major challenge of Governments worldwide and increasing procurement reforms are considered as unique means of achieving these lower costs, today in most countries public procurement has become an issue of public attention and debate and has been subjected to reforms, restructuring rules and regulations .Public procurement refers to acquisition of goods, services and works by procuring entities using public funds, to accomplish specified public purposes, beginning with the identification of a need and ending with completion of the contract (World Bank, 2010).

PPDA of 2005 and Regulation of 2006 were enacted to introduce procedures for efficient public procurement, with the objectives of maximizing economy and efficiency, promote competition, and promote integrity and fairness of procurement procedures, to enhance transparency and accountability, to restore public confidence in procurement process and to facilitate the promotion of local industries and economic development (PPOA, 2012) . If any weakness is identified, then reforms should be introduced to strengthen the procurement system in order to get value for money (Macdonald; Walker & Moussau, 2008). According to white paper (2005) emergence of global economy, increased decentralization of government function, greater discretions power officials and weakness of the current procurement system have led to need of regulating procurement in new ways, hence need for reforms to solve these emerging challenges in the public procurement. Success of public procurement system reforms depends on a clear articulation and understanding of what the legal and regulatory framework seeks to achieve. A 2005 Independent Procurement Review, conducted jointly by the GoK and the European Union,

identified several critical problems with Kenya's procurement system. The review found weak oversight institutions, a lack of transparency, poor linkages between procurements and expenditures, delays and inefficiencies, and poor records management. The GoK sought to improve its public procurement systems by enacting the Public Procurement and Disposal Act and creating the Public Procurement Oversight Authority (PPOA). Regulations implementing the Act were gazetted by the GoK on January 1, 2007.

1.2.1 Public Procurement Reforms

Public procurement reforms were instituted in an effort aimed at regulating the procurement process adopted by public entities in Kenya. According to Juma (2010) public procurement reforms were established in an effort aimed at improving the public procurement system through enhancement of accountability and transparency. Juma (2010) asserts that these reforms targeted at achieving value for money in public projects by enhancing efficiency in the procurement process among public entities. According to Thuo and Njeru (2014) public procurement reforms came in handy in replacing the treasury circulars which ineffectively tried to regulate public procurement process. Thuo et al. (2014) asserts that public procurement reforms tries to address unnecessary bureaucracy and prolonged procurement cycles which adversely affects service delivery leading to dissatisfaction and demoralization among staff as a result of high levels of stock outs.

According to PPOA (2010), In Kenya, the public procurement system has evolved from a largely unregulated system to a highly regulated system with the enactment of the Public Procurement and Disposal Act in 2005 and subsequent operationalization of the Public Procurement and Disposal Regulations in 2006. Despite the progress made since then, the Kenyan procurement

system still faces a myriad of challenges. In 2012 for instance, the then Permanent Secretary for Finance noted that up to 30 per cent of the national budget is lost in procurement related malpractices.

In addition, the procurement law far from making procurement easier, it has made execution of public procurement inefficient. This has led to a low budget absorption hence hindering government's development agenda (Mokaya, 2013). In the past decades, the public procurement system in Kenya has undergone significant developments from being a system with no regulations in the 1960's and regulated by treasury circulars in the 1970's- 1990's a scenario riddled with corruption and thievery of public money. Above all works were not covered by the supplies manual hence the ministry of public works and the office of the president had a free hand on public works.

1.2.2 Factors Affecting Implementation Of Public Procurement Reforms

According to de Mariz, Ménard and Abeillé (2014) procurement and disposal of public assets in public entities has been characterized by corruption and bureaucracies that render the process inefficient. This has led to the loss of tremendous amounts of finances from the government coffers. It is in an effort to streamline the process of public procurement and disposal that led to the establishment of the public procurement reforms. However, de Mariz et al. (2014) notes that the implementation of these reforms has been marred with a series of challenges thus limiting the original objective of instituting the reforms.

According to de Mariz et al. (2014) corruption is a major factor affecting the implementation of the public procurement reforms. De Mariz et al. (2014) asserts that corruption has been

infiltrated into the public entities making the implementation of the public procurement reforms difficult due to set backs imposed by corrupt individuals. On the contrary, a study by Embeli, Iravo, Biraori and Wamalwa (2014) asserts that limited awareness of the reforms is the major factor that affects the implementation of the reforms. According to Embeli et al .(2014) most stake holders in the public entities are not well acquainted with the requirements and the provisions of the reforms thus affecting its implementation. The study however concurs with the assertion that corruption is also affecting the implementation of public procurement reforms.

1.2.3 Public Procurement and Disposal Act

Procurement and disposal of public assets and services is guided by the Public Procurement and Disposal Act of 2005 as published in the Kenya gazette supplement. The act provides guidelines in all matters pertaining to procedures that must be followed by all administrative organs in the public service. The act presents bodies that are involved in the regulation of public procurement and provides these bodies with well-defined powers and their respective jurisdictions. Among the bodies established in this act include; the Public Procurement Oversight Authority, the Public Procurement Oversight Advisory Board, and the Public Procurement Administrative Review Board. The act clearly defines the composition of each of these bodies, their respective functions, as well as their powers and jurisdictions (Government of Kenya, 2005).

The act further defines the internal organization of public entities in relation to procurement, and the general rules that must be complied with by public entities through their procurement processes. The act further provides a step by step guide in relation to open tendering and alternative procurement procedures by all public entities. Moreover, the act specifies procedures in administrative review of procurement proceedings and the powers of the review board in

ensuring compliance with laid down procedures (Government of Kenya, 2005). The act thus acts as a guideline for procurement and disposal procedures in public entities with repercussions clearly specified for any deviations with these requirements.

1.2.4 County Governments in Kenya

County governments in Kenya were established under the County Governments Act (2012). The act was legislated in line with requirements of the current Kenyan constitution promulgated in the year 2010, after approval through a popular vote by the Kenyan public. The act defines; county governments, county assemblies, electoral wards, county executive, decentralized units, county public service, citizen participation, public communication and access to information, civic education and county planning, and procedures in suspension of county staff.

The act clearly demarcates the composition, functions, and roles of both the county executive and the county assembly which are ideally independent arms of the government with different roles. The act segregates the counties into wards which are represented by a member of the county assembly elected by the public. The act further specifies units in the public service that are decentralized to the county governments such as health and some sections of infrastructural development with the rest remaining under the national government. The act further requires that the public must be involved in allocation of county funds into the various projects established with consultation with the public. This in essence makes the county governments have the responsibility to procure and dispose public assets thus making the counties be subject to the public procurement and disposal act.

1.2 Statement of the Problem

With the enactment of the public procurement and disposal act of 2005, the general expectation is that procurement procedures will be more efficient in ensuring value for money in public expenditure. The effective implementation of these reforms would see immense savings in public funds while at the same time ensuring that procurement procedures are characterized with quality and efficiency. Arrowsmith and Quinot (2013) asserts that it would be necessary to ensure that these reforms are fully implemented to ensure that the resulting full benefits are yielded.

Public procurement and disposal procedures were initially based in the central government before the promulgation of the current constitution in the year 2010. However, with the establishment of county governments that are mandated by the constitution to procure and dispose public properties without influence of the central government, the situation changed. Under the current system, regulation of procurement and disposal is more complex given the independence of county governments from the national government. According to International Monetary Fund (2010) there is need to monitor the procurement procedures in the county levels to avoid ‘devolving corruption and irregularities’. A study by Juma (2010) asserts that it is crucial to have an independent monitoring authority with powers to prosecute mandated in ensuring that procurement procedures in the county levels are efficient and transparent.

Various studies done after the enactment of the public procurement and disposal act show that there is laxity in the implementation of the public procurement reforms. According to Kenya Anti-Corruption Commission (Annual report, 2013), investigation into Nairobi County, for instance, revealed that the institution has been one of the hardest hit with irregularities in their

procurement and finance with losses to the tune of millions as employees collude with suppliers to inflate prices. Onyango (2013) asserts that county governments are losing millions of shillings through fresh scandals that involve doubling of prices by its suppliers where the scam involves county employees in the procurement and finance departments and some unscrupulous business people. The persistence of these scandals despite the presence of the procurement reforms points to poor implementation of these reforms. The implementation failures have been attributable to huge losses due to malpractices to a tune of 20 billion shillings, (PPOA, 2011). According to World Bank economic survey (2010), Kenya spends over Kshs 150 billion per annum on public procurement with losses attributed to poor procurement practices approximated at 20% per year (Kenya National Bureau of Statistics, 2012). Statistics available from Transparency International Report revealed that public procurement in Kenya is marred by high levels of non-compliance and inconsistencies with procurement law, in particular the Public Procurement and Disposal Act, 2005 (TI, 2009).

From the foregoing discussion it therefore follows that there is a major challenge in Kenya as far as public procurement and disposal is concerned. The challenge is furthermore aggravated by the devolution of procurement to counties. This is because with the presence of counties the area of focus shifts and increases substantially making regulation a tedious task. There is need therefore to determine the factors that influence the complete and effective implementation of the public procurement reforms at the county level in the country. The identification of these factors will go a long way in an effort to come up with lasting solutions to these problems.

1.3 Research Objective

The general objective is to identify the factors affecting implementation of public procurement reforms in County Governments in Kenya. The specific objectives include

Establishing the factors influencing the public procurement reforms and also to find out the relationship between the identified factors and the implementation of reforms in the County Governments in Kenya

1.4 Value of the Study

The study is expected to be of significance to the Government of and Policy makers as it will inform decisions on policy regarding reforms geared towards government procurement systems.

The study will benefit the academia as it contributes to the ongoing debate on how best to seal the loopholes in the procurement rules and regulations.

The study intends to be an eye opener to County Government of Kenya and other stakeholders in charge of Public procurement to accord it a high priority just like any other valuable government functions for periodic reforms implementation.

The study intends to sensitize all members of the public on the crucial role public procurement plays towards growth of the economy and thus all citizens should be involved and participate in public procurement through equitable fair awards of public tenders. Finally the study will avail literature review study materials for future researchers in the same field of study.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter presents the past or previous studies that have been done and theories advanced on public procurement. The chapter is hence broken down into theoretical review (Agency theory, Social learning theory, Human relations theory, Resource based theory and E- Technology perspective theory), conceptual discussion (clearly indicating the relationship between the Independent and Dependent variables), critic of the existing literature, empirical review, summary and gaps to be filled by the study.

2.2 Theoretical Review

As cited by Defee et al. (2010), good research should be grounded in theory. Hence this study will be based on the following theories- agency theory, social learning theory, Human relations theory, Resource based theory and the E-technology perspective theory of procurement. A discussion of these theories follows.

2.2.1 Agency Theory

Corporate governance broadly refers to the mechanisms, processes, and relations by which corporations are controlled and directed (Shailer, 2012). Corporate governance has also been defined as "a system of law and sound approaches by which corporations are directed and controlled focusing on the internal and external corporate structures with the intention of monitoring the actions of management and directors and thereby, mitigating agency risks which may stem from the misdeeds of corporate officers (Greg, 2011). There has been renewed interest

in the corporate governance practices of modern corporations, particularly in relation to accountability. Since the high-profile collapses of a number of large corporations during 2001–2002, most of which involved accounting fraud; and then again after the recent financial crisis in 2008.

Corporate scandals of various forms have maintained public and political interest in the regulation of corporate governance. In contemporary business corporations, the main external stakeholder groups are shareholders, debt holders, trade creditors, suppliers, customers, and communities affected by the corporation's activities.

2.2.2 Social Learning Theory

Atkinson (2003), emphasis that people learn by observing other people (models) whom they believe are credible and knowledgeable. Social learning theory also recognizes that a behavior that is rewarded tends to be repeated. The model's behavior or skill that is rewarded is adopted by observer.

According to social learning theory, learning new skills or behaviors comes from (1) directly experiencing the consequences of using that behavior skill, or (2) the process of observing others and seeing the consequences of their behavior. According to social learning theory, learning is also influenced by a person's self-efficacy. Self-efficacy is an important factor to consider in the person analysis phase of need assessment. Why? Self-efficacy is one determinant of readiness to learn (Barret, 2012). A trainee with high self-efficacy will put forth efforts to learn in a training program and is most likely to persists in learning even if an environment is not conducive for learning (for example, in a noisy training room).

2.2.3 Human Relations Theory

Human relations theory, also known as behavioral management theory, focuses more on the individuals in a workplace than the rules, procedures and processes. Instead of directives coming directly from management, a human relations theory provides communication between employees and managers, allowing them to interact with one another to help make decisions. Instead of giving workers quotas and requiring certain procedures, workers are exposed to motivational and emotional tactics to get them to increase productivity.

The focus of this style is creating fulfilled, productive workers and helping workers invest in a company (Mayo, 2000). The above theories led to the second research question: How does capacity building contribute to effective implementation of procurement reforms in County Governments in Kenya?

2.2.3 Resource Based Theory

The resource based theory perspective argues that sustained competitive advantage is generated by the unique bundle of resources at the core of the firm (Corner & Prahalad, 2007; Barney 2010). In other words, the resource based view describes how business owners build their business from the resources and capabilities that currently possessed or can acquire (Dollinger, 2008). The term “resources” was conceived broadly as “anything that can be thought of a strength or a weakness” of the firm (Wernerfelt, 2007). The theory addresses the central issue of how superior performance can be attained relative to other firms in the same market. Implicit in the resource-based perspective is the centrality of the venture’s capabilities in explaining the firm’s performance.

Resources have been found to be important antecedents to products and ultimately to performance (Wernerfelt, 2007). Resource may be tangible or intangible and are harnessed into strengths and weaknesses by companies and in so doing lead to competitive advantage. The resource based theory continues to be refined and empirically tested (Bharadwaj, 2010; Hadjimanolis, 2010; Medcof,2010). Given that the resource based view addresses the resources and capabilities of the firm as an underlying factors of performance. This theory led to third research question: How financial resource availability does influence effective implementation of procurement reforms in County Governments in Kenya?

2.2.4 E- Technology Perspective Theory of Procurement

E- Procurement lacks an overarching definition and encompasses a wide range of business activities. For example, Chopra et al. (2010), state that E- procurement remains a first generation concept aimed at buyers, which should progress into E- sourcing and ultimately into E- collaboration. E-collaboration allows customers and supplier to increase coordination through internet in terms of inventory management, demand management and production planning (Lee & Whang, 2009). This facilitates the so called frictionless commerce paradigm (Brynjolfsson & Smith, 2012). The benefits of E- Procurement in a B2B setting are significant (Min & Galle, 2009). Indeed it has been claimed that E-procurement has become the catalyst that allows companies to finally integrate their supply chains from end- end, from supplier to the end user, with shared pricing, availability and performance data that allows buyers and suppliers to work to optimum and mutually beneficial prices and schedules (Neef, 2011).

Usually companies adopt E- procurement systems to manage the purchase of low criticality products and services (Bartezzaghi & Ronchi, 2005). In summation it is noted that the extent of

E- procurement adoption remains in a formative stage, falling short of the type of E-sourcing and E- collaboration suggest by (Bartezzaghi & Ronchi, 2005). E- Procurement implementation is characterized by the direct and indirect procurement divide, where firms tend to use online systems for uncritical items (Min & Galle, 2009; Bartezzaghi & Ronchi, 2005). The transmission to modern E- procurement calls for strategic adaptation. It is one strategy though, that requires much organization change (Macgregor & Vrazalic, 2010).

This theory leads to last research question: With the introduction of integrated financial management information system(IFMIS) and other information based procurement programs in E-procurement platforms are the latest reform in procurement this study seeks to find out how it will influence procurement reforms in County Governments in Kenya?

2.3 Factors Affecting Implementation of Reforms

Corporate governance refers to the mechanisms by which corporations are directed and controlled, and by which those who direct and control corporations are monitored and supervised and made accountable for their actions hence affecting public procurement reforms. Eyaa and Oluka (2011), stated that lack of familiarity with procurement rules results into poor compliance levels. A study by Heneghan and O'Donnell (2007), indicated that the high level of non-compliance were partly attributable to the complex legislative requirements of the procurement laws.

Given that the procurement profession is still relatively new in Kenya, with the regulations having come into force in 2006, it is possible that those who are familiar with the regulations know it so well that they know how to beat the loopholes to their advantage. It is worthy noting

that the ambiguity in the public procurement procedures may provide a chance for dubious acts including opaque tendering and discriminate supplier which may progress into poor compliance levels. Hui et al (2011), stipulates that efficient management is one of the most effective preventative mechanism that promotes transparency and accountability, facilitates oversight and provides a good basis to prevent corruption.

Rossi (2010), asserts that formal controls must first be defined, agreed, and applied top-down internally within an organization if they are to be effective. An organization with genuine commitment to legal compliance is evidenced by top management's dedication to ethical corporate behavior (Krawiec, 2003). As cited in Heneghan and O'Donnell (2007), a compliance culture in an organization must start in the boardroom and should be reflected and evidenced in director's own behavior and attitude by acting as role model to procurement personnel in order to promote integrity, monitor the public procurement process and apply procurement law appropriately.

According to Raymond (2008), professionalism in public procurement relates not only to the levels of education and qualification of the workforce but also to the professional approach in conduct of business activities. If the workforce is not adequately educated in procurement matters, serious consequences: including, breaches of code of conduct occur. According to Atkinson (2003), cited in Raymond (2008), there are approximately 500,000 professional purchasing people in the United States and only 10 per cent of these have been members of a professional body and the rest are not even aware that there are ethical and legal standards involved in procurement.

Raymond (2008), also linked lack of a high degree of professionalism in public procurement to corruption which impedes reforms. The public procurement officers must be trained and be aware of all regulations in relations to procurement and related procedures Hui et al. 2011. In Kenya, the PPDA audit Report (2008), revealed lack of professionalism was high amongst public procurement officers. This position is further confirmed by Basheka and Mugabira (2008), who states that the level of professionalism in public procurement in Uganda is very low.

As the economy continues to teeter from bearish to bullish, controlling costs continue to be a corporate imperative. Continued international and new domestic stresses now influence business performance. Global growth has slowed and upward pressures on costs have reappeared, proving forecasts made by International Monetary Fund, Federal Reserve and business journey I.e Business Finance Accurate (Pandey, 2010).

Uncertainty limited revenue growth rates and lower profit margin caused by higher interest rate and commodity driven inflation will place greater demands on both finance and purchasing to control costs. Despite the advancement of the purchasing function and executive support of procurement policies and procedures, Chief financial officers see broader business limitations that must be addressed to ensure the enterprise wide procurement activities are established as key contributors to competitiveness (Williamson, 2006).

According to Pandey (2010), Finance and purchasing departments find themselves closely aligned as they jointly attempt to manage uncertainty. Most companies require significant amount of working capital to deal with variable and somewhat unpredictable financial inflows and outflows. When viewed collectively, the financial flow management challenges such as slow processing, unreliable and unpredictable cash flows, costly processes, high day's sales

outstanding and suboptimal credit decisions require higher working capital than necessary. If these challenges were removed, the money saved could be shifted to more valuable uses.

Technology enables the buying organization to receive and share experiences about providers from other organization or other third party information providers. If evaluation information about providers is to be obtained manually this can turn out to be very expensive and time consuming something which can be obtained so easily with E- informing (Knudsen and Pressutti, 2010). ICT in public procurement is intended to serve a number of objectives which include: broadening participation in public tendering, to speed up the procurement process and make it more efficient by expanding supply and demand, to provide transparency in public procurement by reviewing procedures and public information and by developing an easy auditing system.

Installation of ICT in public entities procurement aims at benefiting three main stakeholders: First, there is the public at large, which demands easy access to reliable information on public procurement, secondly, the government purchasers that need a more efficient, faster, and less bureaucratic procurement process. Besides that, public entities are keen on the use of systems to restore public trust on the part of public sector spending going to the acquisition of goods and services.

In the year 2005 studies were carried out to explore the phenomenon of public procurement and assess its potential as an industrial policy instrument in the telecom sector in the four countries (Denmark, Finland, Norway, and Sweden). On a general level it was concluded that “although there are several indications that private and public procurement is an efficient means of generating economically viable innovations, it does not follow that government policies to

stimulate public and/ or private procurement are easily implemented”(Granstand &Sigurdsson, 2005).

Corruption and malpractices in procurement are facilitated by the general expectation among all participants and the public at large that this kind of behavior is the norm and consequently that bribery is a necessary means to obtain government contracts. Leading by example and educating the public about the true costs of corruption can be a powerful means of changing. Knudsen (2010), suggested that procurement performance starts from purchasing efficiency and effectiveness in the procurement function in order to change from being reactive to being proactive to attain set performance levels in an entity.

According to Keebler (2007) from New York he concludes that: supply chain activity affects profit and loss statements, balance sheet, and the cost of capital; significant opportunities exist for the competent supply chain managers to reduce expenses, generate better return on invested capital, and improve cash flows. By controlling supply chain expenses, profit margins are improved by continuing to shorten cycle times, cash flow are enhanced, superior supply chain performance can also produce the leverage and the competitive advantage to increase revenues and the supply chain share market. Traditionally accounting techniques do not provide accurate and timely information that informs the financial aspects of supply chain trade off decisions.

In Kenya, some scholars have conducted research on unethical practices in the public procurement but no comprehensive study has been carried out on the factors responsible for reform implementation. Moreover, there are no empirical studies that can be traced to explain why there is non- compliance. Ntayi sought to explain the unethical behavior of public procurement officers using social cohesion, group think and ethical attitudes and established that

these variables considerably contribute to explain the unethical procurement behavior. In Uganda Basheka and Mugabira measured professionalism variables and their implication to procurement outcome in Uganda's public sector.

National integrity baseline surveys have been conducted with the aim to establish the most corrupt central government ministry or local government, sectors and ministries. Several other authors have advanced theories explaining the prevalence of corruption in public procurement, but none of all these authors explains exactly the factors responsible for slow reform implementation of public procurement reforms by public entities in Kenya.

2.4 Summary and Research Gap

Efficiency in procurement includes lower procurement costs, faster cycle times, reduced maverick or unauthorized buying, more highly organized information and tighter integration of the procurement function with key back-office systems. Inefficiencies in the procurement processes lead to lack of control and not realizing value for money in any business. The function of transparency is also important in the procurement as well as an essential aspect of ensuring accountability and minimizing corruption since it serves as a guide in resource allocation and evaluation of performance in public procurement sector. For the nation to reap the full benefits of the procurement reforms, there is a need to develop a new cadre of professional procurement officers and contracting officers in the public sector for the effective implementation of the procurement reforms, workout on an appropriate scheme of service should be adopted by all the tiers of government for procurement and contracting officers, organize capacity building and training at(home and abroad) workshops, seminars and courses for the new cadre of procurement and contracting officers and all those involved in procurement process.

Restructure ministries to create each cadre of procurement officers and contracting officers in the public service so as to make uniform implementation and easy monitoring of the procurement reforms, and finally the need to build consensus among the National and County government in order to promote the smooth implementation of the procurement reforms. The review of existing literature has established that the previous researchers have not conducted an inclusive research on reforms implementation in the public sector. Hence this research is uniquely positioned to fill the missing link by seeking to establish the constraints of public procurement reform implementation and availing recommendations at the end of the study.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter provides a discussion of the research methodology that was used in this study. It discusses the research design especially with respect to the choice of the design. It also discusses the population of study and sample, data collection methods as well as data analysis methods that were employed in the study.

3.2 Research Design

Descriptive research design was chosen because it enabled the researcher to generalize the findings to a larger population. A survey of the general staff within the counties was carried out to establish their opinions about the set independent variables. Since all counties are subjected to the same public procurement reforms, a cross sectional analysis was done across the counties. A description of observed phenomenon was carried out. The main focus of this study was quantitative. However, some qualitative approaches were used in order to gain a better understanding and possibly enable a better and more insightful interpretation of the results from the quantitative study, (Cooper & Schindler, 2003).

3.3 Population

The target population for this study was 30 out of the 47 County Governments of Kenya and given the relatively small size, a census was proposed.

3.5 Data Collection Methods

This study used quantitative data which was collected by use of a questionnaire. The questionnaire contained both open ended and close ended questions. The questionnaire was administered to the respondents at their places of work. Since the research was being conducted in various counties across the country sampling was done and clustered according to the sizes and similarities to ensure the research be as representative as possible. Follow up was done through site visits and telephone to ensure high response rate the research targeted the Procurement Managers and the Finance Managers or their equivalent in the County Governments. The introduction of E-procurement platform into the procurement process being the latest reform, this research sought to gauge the perceptions of the County Governments towards these reforms. The questionnaires was administered using the Likert scale model.

3.5 Data Analysis

The data collected was coded to enable the responses to be grouped into various categories. Data collected was expected to be purely quantitative and in a cross sectional format and were analyzed by descriptive analysis such as measure of central tendency and measure of dispersion. The descriptive statistical tools helped in describing the data and determining the extent used. Data analysis was done via SPSS and Microsoft Excel to generate quantitative reports through tabulations, percentages, and measure of central tendency. Factor analysis was used to identify the underlying factors. This technique was successfully used by Nzuve (2013) while researching on implementation of e-procurement practices among private hospitals in Nairobi. Descriptive statistics was used to summarize the results for each of the main variables. The resulting factors were used as independent variables and the implementation of

public procurement reforms was the dependent variable. Regression analysis was applied to determine the joint relationships between the factors.

Microsoft Excel will help to group the data to facilitate comparison. Inferential statistics was used because if a sample is representative of a population, an important conclusion about the population can often be inferred from analysis of the sample (Murray, 2011).

The resulting factors was used as independent variables and use of E-procurement platform as the dependent variable. Using data collected, simple regression analysis will be applied as follows:

$Y = B_0 + B_i X_i$ Where $X_i =$ Identified factors

CHAPTER FOUR: DATA ANALYSIS AND INTERPRETATION

4.1 Introduction

This chapter presents the data analysis results, as well as interpretation and discussion of findings in line with the specific objectives of the study.

4.1.1 Overview of analyzed data

The data was collected using questionnaire method comprising of close ended and open ended questions. The questionnaires were self-administered to the respondents . Out of the 47 questionnaires that were issued 36 questionnaires were returned. This represents a response rate of 76.6% which is significant to give reliable findings for this study. According to Mc Burney (2001), a low response rate could have a potentially biasing effect on the study results. However, a 70% and above response rate is acceptable for the study.

The table 4.1 below shows the response rate:

Table 4.1: Response Rate

	Frequency	Percent
Non Respondent	11	23.4%
Actual Respondents	36	76.6%
Target Population	47	100%

Source: (Field data, 2015)

4.2 County Government Demographic Information

In order to capture the general information of the respondents, issues such as gender and age of the respondents, level of education and the years of service in current position were discussed.

4.2.1 County Government Composition of Gender of employees

The findings showed that majority 63.5% of the respondents were male while females constituted 36.5% of the employees. This suggests a near equal distribution of respondents by gender. The findings are illustrated in the figure 4.1 below:

Table 4.2 Gender of employees

Genders	Frequency	Percent
Male	54	63.5
Female	31	36.5
Total	85	100

Source: (Field data, 2015)

4.2.2 Level of Education

The findings indicate that majority (49.4%) of the respondents have undergraduate level of Education, 28.2% had diploma level of education, 7.1% having postgraduate degrees while

15.3% possess secondary level of education as their highest academic qualification. This implies that majority of the respondents had a high level education that is important in implementation of the procurement reforms. The table 4.3 below shows the educational level.

Table 4.3: Education level

Education level	Frequency	Percent
Secondary level	13	15.3
College Diploma	24	28.2
Undergraduate level	42	49.4
Masters degree	6	7.1
Doctoral degree	0	0
Total	85	100

Source: (Field data, 2015)

4.2.3 Department in the County Governments

The findings indicate that (38.8%) of the respondents worked in IT department, 21.2% were working in supply chain management department, 14.1% were in finance department, 10.6% were in marketing department and 15.3% were in human resource department. This implies that majority of the respondents were from IT department. This is shown in the table below

Table 4.4 Departments in the County Governments

Department	Frequency	Percent
Human resource	13	15.3
Information technology	33	38.8
Supply chain management	18	21.2
Finance	12	14.1
Marketing	9	10.6
Total	85	100

Source: (Field data, 2015)

4.2.4 Duration of service in the County Government

Findings indicate that majority (57.3%) of the employees have worked for their Counties between 1 to 5 years, 24.0% have worked for between 6 to 10 years, 16 % have worked for over 11 years while 2.7% had below 1 year of experience. This implies that the respondents had worked in their County Governments for a period long enough to provide meaningful feedback.

Table 4.5 Duration of service

Work experience	Frequency	Percent
Less than 1 yrs	1	1.2
1 to 5 yrs	16	18.8
6 to 10 yrs	26	30.6
Over 11 yrs	42	49.4
Total	85	100

Source: (Field data, 2015)

4.3 Factors Affecting Implementation of reforms in the County Governments in Kenya

The study sought to establish the factors affecting implementation of reforms in the County Governments in Kenya . The respondents were asked to rate their levels of agreement with 32 items which were indicators of the factors influencing reforms implementation. The 32 items were subjected to factor analysis with varimax rotation and the researcher obtained four underlying factors which are employee knowledge and skills, top management support, project team and County Governments goals and objectives.

Table 4.6 Factor loadings and univariate descriptive of identified factors

	Factor loading	Underlying factor	Mean	Std dev
The County Government has acquired all necessary inputs and information to facilitate procurement reforms	0.590	Employee Knowledge and Skills	4.20	1.00
Procurement staff have the necessary skills and know-how to implement procurement reforms	0.891		4.12	1.20
Sufficient funds have been set aside for complete implementation of procurement reforms	0.775		4.01	0.14
End users have been trained on the concept of the procurement reforms	0.453		3.78	1.20
Organization culture supports the reforms	0.467		3.54	1.00
Implementation of reforms is supported by the top	0.245		3.48	2.01

	Factor loading	Underlying factor	Mean	Std dev
management				
Departments share knowledge easily	0.704		3.52	2.10
Employees fear loss of jobs if the reforms are fully implemented	0.712	Employee Knowledge and skills	2.90	1.33
The reforms are easy to implement	0.554		2.46	0.45
Are feedback considered important during implementation	0.611	Top Management Support	4.33	1.25
Do reforms cause disruptions	0.548		4.31	0.41
Users were given the opportunity to offer suggestions to the reforms	0.752		4.25	0.15
Staff are receptive to the reforms proposed	0.890		3.94	0.86
The reforms are customized to the County needs	0.582		3.50	1.05

	Factor loading	Underlying factor	Mean	Std dev
Are all stakeholders aware of the reforms	0.798		2.16	0.89
Have similar reforms yielded any positive change	0.523	Project Team	4.67	0.12
Procurement procedures are difficult to implement	0.703		4.52	0.05
Staff are afraid to implement the reforms for fear of losing their jobs	.981		4.00	1.02
Capacity building offers better information in regard to the Procurement reforms	0.761		3.92	0.25
Adoption of Procurement reforms does not negatively impact on existing corporate culture	0.384		3.12	1.01
Capacity building is an easy approach in training on procurement reforms	0.690		4.75	0.64
Without capacity building	0.810		4.63	0.15

	Factor loading	Underlying factor	Mean	Std dev
Procurement reforms are prone to risk and can significantly affect its successful implementation		County Governments goals and objectives		
Capacity building limits the organizations to training approaches hence leading to high opportunity costs	0.781		4.62	1.12
Adoption of capacity building is a costly venture that requires enormous amounts of capital	7.64		4.08	2.00
The County Government has acquired all necessary inputs and information to facilitate procurement reforms	0.452		4.05	0.19
Procurement staff have the necessary skills and know-how to implement procurement reforms	0.555		4.01	0.15

	Factor loading	Underlying factor	Mean	Std dev
Sufficient funds have been set aside for complete implementation of procurement reforms	0.62	County Governments goals and objectives	3.92	1.51
End users have been trained on the concept of the procurement reforms	0.745		3.89	1.02
Organization culture supports the reforms	0.348		3.66	1.00
Implementation of reforms is supported by the top management	0.351		2.03	0.08
Departments share knowledge easily	0.781		1.25	0.05
Employees fear loss of jobs if the reforms are fully implemented	0.892		3.60	0.45
The reforms are easy to implement	0.526		1.05	2.00

4.3.1 Employee Knowledge and skills

Majority (74%) of the respondents felt that most of the staff were able to implement the reforms; however, 26% of the respondents were of contrary opinion stating that not all users were able to adopt and implement the reforms in their Counties. The findings are represented in the table below:

Table 4.7 Employee Knowledge and skills

usage	Frequency	Percent
Able to interpret the procurement reforms and apply knowledge effectively	63	74
Unable to interpret the reforms	22	26
Total	85	100

Source: (Field data, 2015)

4.3.1.1 User training on reform regarding procurement reforms in County Government

The findings shows that 74% of the respondents were of the opinion that implementation requires extensive knowledge sharing as illustrated by a mean of 4.12. Majority (74%) agreed that Users were given the opportunity to perform tests in the reforms before it was

implemented, with only 8% saying there was no opportunity for testing (4.60 mean score). Most (66%) disagreed that there was a continuous training on reforms among staff in the organization while 26% agreed with the statement (2.56 mean score). Majority (60%) of the respondents agreed that they were aware of the benefits of implementing reforms, 21% of the respondents disagreed while 22% of the respondents were not sure of the benefits of implementing reforms as shown by a 4.01 mean score. 54% of the respondents were not sure whether there was adequate training material on reforms in the County Governments (3.52 mean score). Majority (54%) of the respondents agreed that employees in the County Government were highly trained in the use of reforms, 16% disagreed with this statement while 34% of the respondents were not sure (3.78 mean score).

4.3.2 Top County Government Management Support

Majority (65%) of the respondents reported that there was top management support in the implementation process, 25% said they didn't know while 15% disagreed that there was management support.

Table 4.8 Top County Governments Management Support

Top County Government Management support	Frequency	Percent
Have Top County Government Management Support	52	61
Lacking Top Management Support	13	16
I don't know	20	23
Total	85	100

Source: (Field data, 2015)

4.3.2.1 Level of top County Government management support of procurement reforms implementation

The findings shows that Majority (61%) of the respondents agreed that the top management in the County is familiar with procurement reforms (4.31 mean score). Similarly, 65% of the respondents agreed that top management supports recommended innovation while 16% was not sure of the support (4.33 mean score). 59% of the respondents disagreed that key stakeholders in the Counties are alerted when a new reforms are being implemented (2.16 mean score). 23% of the respondents agreed that procurement reforms are effective (4.00 mean score). Majority (37%) of the respondents agreed that new reforms are always communicated to staff while almost equal number 16% disagreed with the statement.

4.3.3 Project team

Majority (92%) of the respondents reported that there was a project team selected to spearhead the procurement reforms implementation process while 8% were not in agreement.

Table 4.9 Project team

	Frequency	Percent
Project team available	75	92
Project team not available	5	8
Total	80	100

Source: (Field data, 2015)

4.3.3.1 Function of project team

The findings show that 76% of the respondents agreed that people who were tasked to implement the procurement reforms work as a team (4.67 mean score), 63% of the respondents agreed there was a support team available to staff during procurement reforms implementation (4.00 mean score), 57% of the employees were not sure whether procurement reforms implementation team consisted of other departments apart from IT department (3.12 means score), 42% of the respondents were in agreement that user feedback is considered important in procurement reforms implementation.

4.3.4 County Government goals and objectives

The researcher aimed at evaluating the internal environment that affects procurement reforms implementation. From the findings, 86% of the respondents agreed the Counties were devoted towards greater utilization of technology in all its operations (4.63 mean score), 85% of the respondents agreed a work culture that favours collaboration is important to procurement reforms implementation (4.75 mean score), on the other hand majority (75%) of the respondents disagreed that major conflicts emerged between functional departments during procurement reforms implementation (2.03 mean score), 71% of the respondents agreed the procurement reforms are customized County Governments needs (3.92 mean score) and a similar number of respondents said adoption and full implementation of procurement reforms was in line with the Counties's mission and vision (4.62 mean score). Majority (69%) agreed that there was fear of loss of jobs due to full implementation of procurement reforms. Most of the respondents (66%) agreed that procurement reforms implementation is part of their Counties's long term strategy. Half of the respondents agreed the County Governments culture supports implementation of

procurements reforms and similar number was not sure whether implementation of procurement reforms was easily achievable.

4.4 Inferential statistics on factors affecting procurement reforms implementation

The study used inferential statistics in trying to reach conclusions that extend beyond the immediate data. Correlation analysis was used to find the relationship between two or more sets of variables. It also tells the direction as well as how much relationship exist between these variables. In this study the researcher used Pearson's coefficient of correlation . The value of the correlation lies between “-1” to “+1”.

4.4.1 Correlations Analysis

The Pearson 's product-moment correlation coefficient (or Pearson 's correlation coefficient for short) is a measure of the strength of a linear association between two variables and is denoted by r . Pearson 's correlation was used to measure the degree of association between variables under consideration i.e. independent variables and the dependent variables. Pearson's correlation coefficients range from -1 to +1. Negative values indicates negative correlation and

positive values indicates positive correlation where Pearson 's coefficient <0.3 indicates weak correlation, Pearson 's coefficient >0.3<0.5 indicates moderate correlation and Pearson 's coefficient>0.5 indicates strong correlation. The findings are shown as in table 4.10 below

Table 4.10: Correlation of variables

Variable Title		Implementation of reforms	Employee knowledge and skills	Top management support	Project team	County Governments of Kenya goals and objectives
Implementation of reforms	Pearson correlation	1.00	.768	.709 *	.685	.562
	Sig. (2 tailed)		.000	.020	.016	.004
Employee knowledge and skills	Pearson correlation	.762	1.00	.467	.651*	.614
	Sig. (2 tailed)	.004		.058	.062	.000
Top management support	Pearson correlation	.705*	.425	1.00	.681 *	.621
	Sig. (2 tailed)	.002	.003		.001	.001
Project team	Pearson correlation	.654	6.32	.673	1.00	.514
	Sig. (2 tailed)	.000	.006	.005	.016	.000
County Governments goals and objectives	Pearson correlation	.862	.514	.621	.517	1.00
	Sig. (2 tailed)	.000	.005	.001	.000	.000

*Correlation is significant at the 0.05 level (2-tailed)

Source: (Field data, 2015)

The first variable employee knowledge and skills in relation to the dependent variable procurement reforms implementation has the coefficient of correlation of “0.768 *” which shows a strong positive relationship between the two variables. This implies the better the knowledge and skills are provided to employees the better the procurement reforms implementation process. Similarly, the second independent variable of top management support also has a positive correlation of “0.709” with the procurement reforms implementation. Project team also has a positive relationship with the procurement reforms implementation with the value of 0.685. The County Governments goal and objectives has moderate but positive relationship with implementation of procurement reforms with the value of 0.562. All the independent variables used in the study have a positive relationship with dependent variable which shows that they significantly affect the dependent variable.

4.4.2 Regression Coefficients

The findings Regression Coefficients are shown as in table 4.11 below

Table 4.11 Regression Coefficients

	Unstandadised coefficients			t values	Sig
	B	STD Error	Beta		
Constant	0.407	.321		1.268	.001
County knowledge & Skills	0.456	.415	0.781	1.099	1.882
County Top Management Support	0.512	.004	.810	128	202.5
Project Team	0.152	.312	.623	0.487	1.997
County Goals & Objectives	0.063	.451	.721	0.1	1.599

Source: (Field data, 2015)

4.4.3 Analysis of Variance (ANOVA)

	Sum of Squares	Df	Mean Square	F	Sig. p value
Regression	6.05	4	1.513	11.375	0.0001
Residual	4.11	31	0.133		
Total	10.15	35			

Source: (Field data, 2015)

The researcher conducted regression analysis to determine the effects of employee knowledge and skills, top management support, County Government goals and objectives and project team on implementation of procurement reforms in County Governments. The following regression equation was derived:

The results are summarized as

1. Parameters of estimates/Regression coefficients
2. Analysis of variables (ANOVA)

Detailed analysis is found in Tables 4.11 and 4.112 respectively

From table 4.11 the sample linear multiple regression model of public procurement reforms and implementation on employee knowledge and skills ,County Top Management Support, Project Team and County governments Goals & Objectives is

$$Y=0.417+0.456x_1+0.512x_2+0.152x_3+0.0663x_4$$

Where. X1=County Employee Knowledge & Skills

X2= County Top Management Support

X3= Project Team

X4= County Governments Goals & Objectives

This model was then subjected to statistical tests to determine the reliability and adequacy for estimation purposes using;

a)

1. Test of significance of the whole model
2. Using R² Coefficients of determination $R^2 = SSR/SST = 6.05/10.15 = 0.596$

Interpretation: 59.6% variation in public procurement reforms and implementation variation is explained by the predictors in the model; however, 40.4% variation in the public procurement reforms implementation is explained by other factors not in the model.

In conclusion therefore, the model is fairly reliable and can be used in estimation of the levels of public procurement reforms and implementations.

b) Using Fishers test statistics F Test.

H₀ Regression is not significant

H_a Regression is significant

$\alpha = 0.05$ (levels of significance)

Sample F statistics is given in the Anova table $F = 11.375$

$$F = MSR/MSE = 1.513/0.133 = 11.375$$

Critical F test statistics, F_c at $\alpha = 0.05$ with df for the numerator $df = k - 1 = 5 - 1 = 4$, and for denominator $df = n - k = 36 - 5 = 31$

$$F_c = 2.87$$

Conclusion, Reject H_0 and accept H_a since $11.375 > 2.87$ and conclude that regression model is significant and can be used for estimation purposes

Test of Significance of the predictor variables

i) Significance of X_1

$H_0: B_1 = 0$ its not significant

$H_a: B_1 \neq 0$ its significant

$$\alpha = 0.05$$

$$\text{Sample test statistic ratio } t = b_1/sb_1 = 0.456/0.415 = 1.09$$

Critical test statistics, t_c at $\alpha/2 = 0.05/2 = 0.025$

With $df = n - k = 36 - 5 = 31$

$$T_c = 2.04$$

Conclusion, In view of the sample evidence, accept H_0 and reject H_a since $1.09 < 2.04$ and conclude that x_1 is not a good predictor

Significance of X_2

$H_0: B_2 = 0$

$H_a: B_2 \neq 0$

$\alpha = 0.05$

Sample test statistics for $B_2 = t = 0.512 / 0.004 = 128$

Critical test statistics $t_c = 0.025$ $df = 2.04$

Conclusion, reject H_0 , Accept H_a since $128 > 2.04$ and conclude that B_2 is significant and is therefore a good predictor

Significance of X_3

$H_0: B_2 = 0$

$H_a: B_2 \neq 0$

$\alpha = 0.05$

Sample test statistics for $B_3 = t = 0.152 / 0.312 = 0.087$

Critical test statistics $t_c = 0.025$ $df = 2.04$

Conclusion, reject H_a , Accept H_0 since $0.087 < 2.04$ and conclude that B_3 is not significant and is therefore not a good predictor

Sample test statistics for $B_3 = t = 0.063 / 0.451 = 0.1$

Critical test statistics $t_c = 0.025$ $df = 2.04$

Conclusion, reject H_0 , Accept H_a since $0.1 > 2.04$ and conclude that B_3 is significant and is therefore a good predictor

Significance of X_4

$H_0: B_2 = 0$

$H_a: B_2 \neq 0$

$\alpha = 0.05$

Sample test statistics for $B_4 = t = 0.152 / 0.312 = 0.087$

Critical test statistics $t_c = 0.025$ $df = 2.04$

Conclusion, reject H_a , Accept H_0 since $0.1 > 2.04$ and conclude that B_4 is significant and is therefore a good predictor

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter consists of a summary of the findings of the research, conclusions relating to the research objectives and suggestions and recommendations on the factors influencing implementation of procurement reforms in County Governments in Kenya.

5.2 Summary of the Findings

In regard to the demographic information about the respondents, the findings indicated that there was a 86% response rate. Majorities of the respondents were men and a big percentage of the respondents possessed an undergraduate degree as their highest academic qualification. In addition, majority of the respondents were from Information Technology department and many of them had worked in their current organization for a period of over 11 years.

Four factors that influence implementation of procurement reforms were identified through factor analysis. These include: employee knowledge and skills, top management support, project team and County Government goals and objectives. Three out of the four variables were found to have strong positive relationships with procurement reforms implementation. These include: employee knowledge and skills, top management support and project team. County Governments goals and objectives had a moderate positive relationship with procurement reforms implementation. An examination of the joint relationship established that the four variables jointly account for 74% of the variability in procurement reforms implementation.

5.3 Conclusions

The findings show a strong positive relationship between employee knowledge and skills and procurement reforms implementation. The two variables have a positive correlation of 0.768. This indicates that investment in employee training and skill building will raise the chance of successful procurement reforms implementation.

Similarly, there is a positive correlation of 0.709 between top management support and procurement reforms implementation. This shows that top management are a key factor in the procurement reforms implementation. Top management therefore needs to spearhead the procurement reforms implementation process and provide resources needed to ensure successful implementation.

Project team is also a very important factor in the procurement reforms implementation process. Project team has a positive relationship with the procurement reforms implementation with a correlation of coefficient of 0.685. It can therefore be concluded that putting together an effective project team is a critical step in successful procurement reforms implementation process.

The findings of the study also show that County Government goals and objective has a moderate positive relationship with the procurement reforms implementation having a correlation of 0.562. This implies for a procurement reform implementation process to be successful it must be in line with the County's goals and objectives otherwise the implementation may fail. Regression analysis shows that all the factors have a significant impact on the public procurement reforms implementation.

5.4 Recommendations

The following recommendations can be made from the findings of this study:

The County's management must strive to improve employees' knowledge and skills to ensure successful procurement reforms implementation. This can be done through user training before the system goes live and continuous training post implementation to fill the knowledge gaps. This will ensure that all employees are conversant with the procurement reforms being implemented.

Counties top management should involve all the key stakeholders in the implementation process. The involvement can enhance adoptability and overcome resistance to change and prevent conflicts from emerging during the implementation process. County top management should also provide leadership during the implementation process and provide support to the project team.

In addition, the project team must be properly selected to ensure all the departments are represented. The project team should work as a team and be available to support employees during the implementation process.

5.5 Limitations of the Study and Suggestions for Further Research

The study largely relied on primary data collected using questionnaires and is limited to the responses received. The researcher assumed that the feedback given was credible as there was no way of telling how much thought the respondent had put in while filling the questionnaire. Although the study focused on the County Governments it did not consider

whether the size of the Counties had an effect on the procurement reforms implementation process. Future studies could look at factors influencing procurement reforms implementation based on the size of the Counties. Additional studies could also focus on the level of adoption of procurement reforms in parastatals and other Government institutions.

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APPENDIX II: QUESTIONNAIRE

Section A: Background Information

- 1. Which Department/Section do you work?.....

- 2. What is your Gender? Male Female

- 3. What is your highest level of education?
 - a) Secondary
 - b) College
 - c) Undergraduate degree
 - d) Masters degree
 - e) Doctoral degree

- 4. How long have you worked for the County Government?
 - a) Less than 1 year
 - b) 6-10 years
 - c) 1-5years
 - d) 10 years and above

Section B:

- 5. Enterprise Resource Planning (ERP) Implementation in the County Government

Does your County Government use any E-procurement platform system in purchasing

Yes..... No.....

If yes which system of E-procurement

.....

If No, state the reasons as to why your County Government has not adopted to E-procurement system in purchasing.

.....

6. Please give the strength of your agreement with the following statements about procurement reforms implementation in your County Government?

Use scale 1-5 Where

1=Strongly Disagree 2=Disagree 3=Neutral 4= Agree 5=Strongly Agree

FACTORS	1	2	3	4	5
The County Government has acquired all necessary inputs and information to facilitate procurement reforms					
Procurement staff have the necessary skills and know-how to implement procurement reforms					

Sufficient funds have been set aside for complete implementation of procurement reforms					
End users have been trained on the concept of the procurement reforms					
Organization culture supports the reforms					
Implementation of reforms is supported by the top management					
Departments share knowledge easily					
Employees fear loss of jobs if the reforms are fully implemented					
The reforms are easy to implement					
Are feedback considered important during implementation					
Do reforms cause disruptions					

Users were given the opportunity to offer suggestions to the reforms					
Staff are receptive to the reforms proposed					
The reforms are customized to the County needs					
Are all stakeholders aware of the reforms					
Have similar reforms yielded any positive change					
Procurement procedures are difficult to implement					
Staff are afraid to implement the reforms for fear of losing their jobs					
Capacity building offers better information in regard to the Procurement reforms					
Adoption of Procurement reforms does not negatively impact on existing corporate culture					
Capacity building is an easy approach in training on					

procurement reforms					
Without capacity building Procurement reforms are prone to risk and can significantly affect its successful implementation					
Capacity building limits the organizations to training approaches hence leading to high opportunity costs					
Adoption of capacity building is a costly venture that requires enormous amounts of capital					

7. Please highlight key factors that you believe influence the level of implementation of procurement reforms in the County Government in general?

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8. What are the greatest challenges faced by your County Government in its quest to adopt and implement procurement reforms?

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