

**STRATEGIC PROCUREMENT PRACTICES AND PERFORMANCE OF PRIVATE
HOSPITALS IN NAIROBI COUNTY**

BY

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DECLARATION

I declare that this project is my original work and affirm to the best of my knowledge that it has not been presented for any academic award in any University.

Signed:



Date:

15th Nov 2021

JADE KIMUNYA

D61/84065/2015

This research project has been submitted for examination with my approval as the University supervisor.

Signed:



Date:

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DEDICATION

This project is dedicated to my nieces Hailey Muthoni and Heather Wambui. Their passion for academics and willingness to push themselves to achieve academic excellence is an inspiration to me to set stage upon which they can put their efforts in a direction that will propel them to achieve their individual goals. Also, to my mother Sharon Muthoni, words cannot describe how grateful and indebted I am for the sacrifice you made to get me started on this MBA journey.

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ABSTRACT

The private health sector in Kenya is highly competitive with key regulator being the MoH. However, there is a growing concern among the patients and other stakeholders alike that despite the importance and implementation of strategic procurement practices, the procurement department of the private hospital faces several challenges. The general objective of the study was to evaluate the effect of strategic procurement practices on procurement performance of private hospitals in Nairobi County. The specific objectives of this study were to determine the extent to which strategic procurement practices implementation, effect of strategic procurement practices and to identify the barriers faced in the implementation of strategic procurement practices in private hospitals in Nairobi County. This research was anchored on socio-economic theory and institutional theory. The researcher utilized descriptive cross sectional survey design to ensure the researcher attain the fact finding aim of the study. The population for this study were private hospitals in Nairobi County which were 62 in number. The respondents were employees in procurement departments in private hospitals in Nairobi County. The returned and duly filled questionnaires and interview guides were verified, coded and tallied. The open-ended questions contained qualitative data that was analyzed through conceptual content analysis and was presented through narration. The closed ended questions consisted quantitative data. Both descriptive and inferential statistics was used to analyze data in the questionnaire. Data collected was coded and edited as required and thereafter processed by the SPSS Version 21.0. For all the quantitative variables descriptive analyzed like frequencies, mean score and defect were estimated. The frequency tables were for the biological data of the research, and the regression analysis was conducted for further inferential statistics. The study established that having a strategic plan that ensured effective performance was enhanced, research and development, economic logic models and strategic options in procurement were adopted to a great extent. The statistical study revealed a favorable association between procurement performance and efficiency. Furthermore, the data revealed that strategy creation had a quantitatively direct and significant positive link with private healthcare performance in Nairobi City County. Following the creation of the strategies, they should be evaluated once a year to track success. There is a need for private hospitals to utilize technology advancement to improve performance in the private hospitals.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Institutions operate in a world where their sources of supply and services are subjected to a plethora of economic and political intervention (WHO, 2017). As a result, these institutions must continue to evaluate their competitive status as well as their internally controllable procedures, notably the procurement process, in order to prosper in this chaotic climate. Procurement comprises steps to integrate the supply chain, to save costs, times and boost production from purchasing institutions (Yip and Johnson, 2019). Strategic procurement therefore identifies the ways through which priority action plans meet procurement policy objectives. As a result, it's critical to remember that procurement procedures give the right actions and KPIs to help the global organization balance effectiveness, investments, expenses, and operations capabilities from rearranged manufactured segments and companies (Johnson, 2019).

This research is based on the idea of institutions and socioeconomics. By combining economic theories with ideas from psychology and sociology, Sutinen and Kuperan (1999) developed economic theory which accounted for conscience and social effect as factors influencing interpersonal reaches its maximum. This article explores the relationship and communication seen between community and the society, and it provides a comprehensive and superior understanding of the privatized tender process (Seurey, 2018). We can comprehend the policies, plans and strategic procurement procedures in private organizations and their effect on the provision of services to society from this idea. In Wong (2018), institutions consist of cultural-cognitive and regulatory components that offer meaning to life in conjunction with their actions and resources (Institutional theory). He describes also as regulatory, normative and cognitive culture the three foundations of institutions. The regulatory pillar stresses the use as an enforcement mechanism of rules, laws and penalties with adequacy as a foundation for compliance. The normative pillar refers to standards (how to do things) and values (preferred or desirable), and compliance is based on social responsibility. The cultural and cognitive pillar relies on common knowledge (common beliefs, symbols, and shared understanding). This idea is useful in implementing strategic procurement policies and

procedures in public service organizations. The two theories emphasize on the association and collaboration between the management and the institution, giving enough lenses to understanding private sector procurement system (Seurey, 2018). This in turn will provide a link between strategic procurement practices and procurement performance as implied from the study.

In Kenya, there is a rising need for quality, affordable medical services, which leads to the adoption of strategic procurement methods in medical institutions of the supply chain solutions with expertise and technology to disclose pharmaceutical and medical supplies effectively (Odero and Ayub, 2017). Practices that have been used include developing and managing important suppliers, developing an efficient internal procurement function, coordinating procurement with other hospital activities and trying to meet or exceed customers' expectations. Save cost, enhance operational efficiency, access trusted suppliers and enhance product or service quality and the exchange of best practices to improve procurement performance (Wambui, 2018). In the pharmaceutical and non-pharmaceutical supply in private hospitals, however, structural weaknesses and possibilities exist. This was due to a lack of compliance with the medical and non-medical suppliers' strategic procurement practices specification, disclosure of assessment criteria in contract papers, and capacity building in a market survey at the procurement stage, which affected hospital procurement performance (MoH, 2018). Therefore there arises a need to identify the influence of strategic procurement practices on procurement performance in private hospitals in order to create a framework to quantify the procurement challenges and suggest appropriate mitigation measures.

1.1.1 Strategic Procurement Practices

The management activities to enhance the performance of the integrated supply chain are strategic procurement practices (Buffington and Howell, 2018). Strategic procurement procedures include the planning of procurement, procurement controls and the supervision of procurement and training staff (Namusonge, 2016). Compton (2018) noted that the processes of public procurement should be driven by three key principles: equitable opportunities for all interested parties to present proposals; in order to prevent prejudice based on the contractors' nationality or origins of the goods/services, all queries must be treated in an equitable manner and any use of objective criteria should be the basis of tendering and award procedures. These combinations provide a variety of

advantages for an organization and for the strategic goals of organizations, which contribute to the speed and flow of key information from the purchaser to the supplier. In a correct application of strategic procurement practices. On the other side, the operational advantage of procurement procedures is increasing financial management through simpler matching of contracts, enhanced audit and improved security (Masiko, 2017).

1.1.2 Procurement Performance

The performance should be considered to satisfy an obligation in a way that relieves the performer from all contractual obligations (Seurey, 2018). Accuracy, completeness, cost, speed, flexibility, quality of supplies and the profile of the provider, among many others is a measure of the effectiveness or efficiency of the outcome of procurement operations in which performance of the particular job is assessed against established recognized standards. Performance management comprises operations which guarantee the successful and efficient achievement of objectives (Odero and Ayub, 2017).

Procurement excellence is becoming an increasingly essential component in effective business performance. Both financial and non-financial acts should be measured by a sound performance system. Organizations without good performance measures have poorer performance, more customer discontent and higher staff turnover in processes, methods and goals (Amolo, 2017). In terms of the environment and structure and the activities of the supply connection, the representativeness of the strategic procurement may be characterized. To assess efficiency and effectiveness, general delivery link performance metrics in terms of time, quality, flexibility and cost are employed. The efficiency of the supply chain describes the use of resources. As resources are finite, maximizing the use of resources is in everyone's interest in the company. The efficacy of the supply connection explains the achievement of the goals.

1.1.3 Private Hospitals in Nairobi County

In the delivery of health services, the private sector in Kenya made a significant contribution (AKUHN, 2019). By fostering competition and complementing governmental services, it has created a resource gap for health development by boosting efficiency and the quality of care. Three key reasons for increasing private sector engagement in the health sector are given by Namusonge (2016). The primary aim is to support the growth of the private sector as an alternative method of healthcare through an explicitly determined policy decision for the reforms of the health system. This was

spurred by increased resource limitations and poor public sector performance. The second is a reaction to inadequate public health service supply. In the delivery of health services, the public health sector has grown inefficient, accounting for 30% waste of resources. The quality of the services has been further deteriorated by inadequate pay for employees, low morality, lack of ownership of community services, lack of logistic assistance and low continuous education (Özbilgin and Imamoğlu, 2016). Thirdly, the necessity to react to growing consumer prosperity (such as the expanding middle class) and demand for more quality services is a factor for the expansion in private health care service.

Most hospitals in the County of Nairobi are struggling to guarantee quality health treatment and constantly improve the hospital standards. In the province of Nairobi, public and private health services are available, and the majority of the people who can afford to pay are likely to choose private institutions for health care purposes. Private health facilities, as is the case elsewhere in the globe, are much more expensive than public health facilities. At exchange for superior health services in private health facilities, the majority of expatriates are prepared to pay the higher price. As with other hospitals in the county, private hospitals in the County of Nairobi are classified according to their service capacity and the hospital amenities (Seurey, 2018).

1.2 Research Problem

The current business environment is becoming increasingly challenging and companies must therefore increase business activities to remain competitive (Wong, 2018). Consequently, managers need to adopt all those practices, one of the most essential aspects for company improvement, to enhance their performance, is effective and efficient strategic procurement procedures. This will affect organizational performance by adopting proper procurement (GoK, 2019). Increasingly, procurement is considered as the most crucial service supply and accounts for an enormous share of overall costs. In the procurement process, companies are enhancing their professionalism and efficiency. Acquisition procedures are strategic and aim at increasing the efficiency of the business, identifying better sources of supply and reducing prices and expenses of the raw materials. Acquisition procedures contribute to improvements in information and material flows and are considered to be strategic functions that increase the profitability, find better supply sources and lower prices and cost of raw materials (Ombui, 2017).

Competitive advantage is available to organizations which connects the procures to the strategic level to improve their performance (Grover, 2015). Performance in procurement concerns procurement operations which are efficient and effective to the both the institution and the public. This comes with indicators which include the variance in prices, the level of utilization of contracts, management of procurement processes time, costs and training of staff. Performance is again related to profitability of the organization, assurance of suppliers, improvements of quality and enhanced business competitiveness. Thus, the survival in the competitive corporate environment must be constantly improved. Due to the huge sum of funds in procurement that patients receive, substantial resources are being committed by the management of private hospitals in order to implement different strategic procuring practices to improve the performance of hospital procurement to ensure efficiency, efficiency, accountability and transparency (Njau, Ruoja, Huka and Panga, 2019).

The private health sector in Kenya is highly competitive with key regulator being the Ministry of Health (MoH). However, there is a growing concern among the patients and other stakeholders alike that despite the importance and implementation of strategic procurement practices, the procurement department of the private hospital faces a number of challenges (Public Procurement Oversight Authority, 2019). According to private hospitals customer satisfaction survey of 2017, 2018 and 2019, carried out by M/S Consumer Options Limited, it was notable that the percentage index had been fluctuating; 69%, 70% and 66% respectively and this was mainly attributed to the influence of procurement practices adopted by the hospitals management (COL, 2019). The procurement departments in the private sector has been characterized by various inefficiencies like poor recordkeeping, delays in paying suppliers, increased procurement cycle time among others.

A number of studies have been carried out on out on strategic procurement practices and performance and the nature of relationship is mixed comprising of negative and positive, significant as well as non-significant. A positive relationship was observed by Yip and Johnson (2019); Wong (2018); Namusonge (2016), Rotich and Okello (2018) and Ombui (2017). Other studies found non-significant relationship (Chu and Labadi (2015), Sussman and Matsumoto (2016) while (Bowersox and Closs, 2015); Rushton (2017) and Chong (2017), found mixed results (positive and negative) dependent upon the strategic

procurement practices variable dimensions. These inconsistent findings need further research to resolve them.

Methodological gaps were also noted in some of the studies linking strategic procurement practices to organizational performance, some studies used content analysis without further tests for instance Fernie and Sparks, 2018); Bowersox and Closs (2015). In addition to the use of relation analysis to achieve a better degree of interpretation, content analysis is prone to increasing errors, while the regression indicates important and meaningful links among the various measure. This study will adopt to carry out a census in all the private hospitals in Nairobi County, Kenya and intended to use multiple regression analysis. Further the contextual gaps have been identified in some of the studies linking strategic procurement to firm performance. Most of these studies have been done outside Kenya for example in Japan, Dubai, Brazil, South Africa and Congo (Prajogo, Oke and Olhager, 2010; Lirn, 2017; Robinson and Gavirneni, 2019; Kwamboka, 2017). Studies conducted in East Africa and especially in Kenya are scarce. Researcher include Wollenburg and Holzzapfel (2016); Novack and Gibson (2016); Chu and Labadi (2015); Lawson and Petersen (2015). This thus presents a knowledge gap that needs to be filled. Hence more studies linking strategic procurement practices and performance contextualized in the region are called for to fill this gap.

Based on the foregoing, most studies have focused on organizational performance in manufacturing firms and financial institutions without incorporating the influence of strategic procurement practices on procurement performance in private hospitals which this study aims to address. Therefore, this research was intended to provide feedback to the below questions; what is the extent to which strategic procurement practices are implemented by private hospitals in Nairobi County? What are the effect of strategic procurement practices on performance of private hospitals in Nairobi County? What are the barriers faced in the implementation of strategic procurement practices in private hospitals in Nairobi County?

1.3 Objectives of the study

The general objective of the study was to evaluate the effect of strategic procurement practices on procurement performance of private hospitals in Nairobi County.

The specific objectives of this study were;

- i. To determine the extent to which strategic procurement practices are implemented by private hospitals in Nairobi County.
- ii. To establish the effect of strategic procurement practices on performance of private hospitals in Nairobi County.
- iii. To identify the barriers faced in the implementation of strategic procurement practices in private hospitals in Nairobi County.

1.4 Value of the Study

The study will be significant to policy makers, as the results will help them gain an insight into how private hospitals may regulate procurement procedures that are essential to increasing Kenya's economy. They will receive essential information from the research conclusions, which they will use to manage and coordinate properly the procurement process.

The results of this study are of benefit to private hospital procurement managers, who are able to get insight into how procurement procedures impact their intuitions in procurement performance. It would enable them to understand the best possible delivery to enhance the profitability, productivity and picture of the procurement departments in private hospitals.

This study also benefits the institutions since they can examine how strategic procurement procedures contribute to their procurement performance and discover loopholes that may impede the performance of procurement. The results will also help other institutions. This is done in keeping with the idea of institutions and socioeconomics.

The studies will also enable academics and researchers to identify additional research fields based on the results of this research. The study will offer information on how strategic procurement plays a role in the improvement of economic functions that contribute to the achievement of procurement.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This section presents the literature review on strategic procurement practices and procurement performance. Aspects of strategic procurement practices were evaluated. The section also has the theory that underpins the study, presents the conceptual framework showing the linkage between variables and concludes with the knowledge gaps drawn from the reviewed studies.

2.2 Theoretical Literature Review

Good research is theoretically expected to be grounded, according to Tümühairwei and FazelZarandi (2017). This research is thus driven by socio-economic theory and institutional theory. The conventional technique used to follow procedures of private procurement is the institutional approach.

2.2.1 Institutional Theory

Scott (2004) states that the institutions consist of cultural-cognitive and regulatory components that contribute to life's value with linked activities and resources. He characterizes the institutions as cognitive regulations, norms and cultures. The governmental pillar emphasizes the employment of standards, procedures, and consequences as an established procedure, with competence as a cornerstone for cooperation. The normative pillar refers to norms (how to do things) and values (what is desired or preferable), where ethical behavior is the cornerstone of cooperation (Schönsleben, 2016). The cultural and cognitive pillar is shared (mutual beliefs, symbols, common understanding).

This concept is critical in the execution of legal procurement processes and procedures in private firms. It's an organizational issue, and it's the key to ensuring the revolution's long-term viability in a corporation. In other words, this component encompasses the extent to which high-level strategic procurement operations are anticipated, as well as the amount that will be accelerated or stalled by organisational processes and methods.

2.2.2 Socio-economic Theory

By combining economic theory with psychological and social theories to take account of moral duty and social impact as drivers of individual compliance decisions, Wollenburg and Holzapfel (2016) advocated the socioeconomic compliance theory. Novack and Gibson (2016) further add that the socio-economic theory predicts that the organization is accountable for reinforcing its practices and justifying its presence within social limits to stakeholders, in particular to the public.

This idea of connection and partnership between an institution and society provides sufficient perspectives for understanding public procurement (Ombui, 2017). This idea acknowledged that policy, planning and sustainable procurement practices in public institutions and its impact on the provision of public services therefore link strategic procurement practices with study performance.

2.3 Strategic Procurement Practices

The strategic procurement methods to be investigated in this study include strategic formulation, analysis of expenditure, supplier interactions and a measures plan and use of technology.

A clear aim that is linked with organizational missions, vision and values (Özbilgin and Imamoğlu, 2016) will be the first stage in developing a strategic procurement practice strategy. Measurable targets should be clear and detailed enough for impartial observers at the conclusion of the implementation of the plan to agree whether the target has been or has not been achieved (Yip and Johnson, 2019). The SMART acronym is commonly used to guide the formulation of goals. SMART means: specific, measurable, workable, practical and time-limited. These goals provide the basis for the assessment of progress (Johnson, 2019). Activities in strategic procurement must be adapted to those values that are consistent with the general company objectives. The formulation of procurement strategies therefore allows the procurement role to be guided and mobilized to achieve those corporate objectives (Sutinen and Seurey, 2018).

Cost analysis was characterized as a cost analysis based on dimensions such as the kind of goods and services and providers, number of contracts and expenses and other elements illustrating how the present figures are used to perform products and services. Data from many sources for spending analysis may take several forms. As seen by the

preceding definitions, expenditure data might be money spent on goods, services and even daily work. Amolo (2017) states that procurement authorities are able to set up procedures and/or checkpoints that prevent and regulate random expenditure by applying expenditure analyses to business operations.

Random expenditure refers to expenditure not included in the strategic buying strategy of a business. Although it is unrealistic to imply that all business costs can be anticipated and therefore planned, organizations can identify their procurement processes and improve them in sectors in which the greatest possible advantage can be realized, where precisely the change occurs, depends on their specific businesses and their long-term goals. But it is essential for an efficient allocation of resources to know what to buy and when to acquire and may be the reason for deciding what to buy centrally and what to decentralize.

Odero and Ayub (2017) stated that measures planning is an essential aspect of the PPP. Measures should be intended to offer a continuous indication of progress towards achieving targets and targets in tactics and plans. They also say that it is necessary to establish accountability in strategies and tactics, to allocate success control measures and to periodically report on progress, to ensure that the plan is workable and employed to accomplish intended objectives. Good progress can provide the chance to focus on certain tactics or to improve them, while failure to achieve objectives could signal that changes are needed (Odero and Ayub, 2017). Strategic procurement methods should be measured in terms of the advantages they have provided in relation to the projected achievements of their projects in accordance with the original procurement strategy and the implementation of their plans (Wambui, 2018). Perhaps one year after the contract is accepted, this might take the shape of a post-contract audit. To learn from the experience and expand on the present trade agreements, the findings should be published and discussed by the procurement management experts and their sourcing board (Buffington and Howell, 2018).

Supplier relationships have been characterized as two or more supply chain participants working together to generate a competitive benefit by exchanging knowledge and sharing advantages that come from higher profitability than acting alone in fulfilling their customer demands. Rotich and Okello (2018) pointed out that sharing of information, shared decision-making and incentive coordination enhance collaborative activities

through exchanging information between purchaser and supplier. As observed by Carr and Pearson (2002), strategic ties with suppliers begin long before initial order, and last much beyond the receipt of the goods. Strategic relationship management aims to optimize both supplier and customer benefits and to discover and implement mutually symbiotic achievements for both parties. It enables procurement to establish strategies for working with suppliers to offer ongoing value for money and to decrease the risk of inadequate or unavailable performance or non-supply. Yip and Johnson (2019) states that it enables the procurement company to focus on the proper suppliers and guarantees that their supplier is not controlled.

Technology improves unrestricted and limitless access to information, improves market openness and boosts complementarity-based economic integration (Özbilgin and Imamoğlu, 2016). Offers of major advantages are cost and process reduction, possible expansion of the supplier base, simple access to desired items (specified quality criteria), intelligibility in information and easy comparison between the recording of goods and purchases, and consequent cost monitoring. Procurement technologies likewise capture a virtual market, available to capable providers and use digital signatures to ensure transaction legislation throughout the full procedure (Johnson, 2019).

Namusonge (2016) highlighted that an effective technological platform with a strong data base management component is essential, as compared with set purchasing orders and the usage of Excel sheets, to provide dependable and accurate cost analysis and administration information. An integrated ERP system with an efficient procurement / e-company is a key to successful strategy planning. It must be pointed out that technology is being used to boost procurement; findings indicate clearly that using new technologies, for instance, Electronic Data Interchange (EDI), increases procurement efficiency and improves the general performance of companies.

2.4 Empirical Literature Review

Handfield and Ragatz (2018) have carried out research in Pakistan on the influence of inefficient infrastructure project procurement processes. In performing these specialists, a descriptive research plan was used. The research highlighted the many procurement options and reasons for a given decision, issues of choice of procurement, and difficulties of implementation of procurement in Pakistan's public sector organizations. The influence of procurement on successful project results was also addressed. As a result, several

problems were identified which affect procurement choices, such as efficiency and finance requirements, customer objective, timely policy decisions, clarity of customer needs, bidding and reaction delays, approval delays, proposal and bid assessment procedure, the need to relax the rules and characteristics of the project. Nevertheless, the study failed to provide suggestions on the inclusion of good procurement methods in public procurement training organizations.

Thai (2018) conducted a research on the impact on performance management of procurement methods in the Ghana area of Ashanti. The research attempted to assess the importance of the two. In deductive methods and inductive statistics, a questionnaire has been utilized and evaluated. The compliance with the procurement act has been developed to significantly decrease government expenditure via the reduction of wastage and resources leakage through auditing, budgetary control, monitoring of expenditure, cost efficiency and value for money. The investigator did not however link the findings to strategic private sector procurement strategies. The researchers will analyze the overall effect of strategic procurement and private hospital performance practices and evaluate the links it has with functional activities from the present study.

Rao (2019) assessed State firms' strategic procurement methods and performance. The study recognized the use of t-test and descriptive research methodology whilst 384 senior managers were employed. In the survey, over 46 percent of companies in Canada have been successful in using strategic source methods, such as global sourcing, multiple sourcing and provider development, to execute effective procurement procedures. The study did not show, however, how every supply strategy may promote good procurement procedures in private organizations. This shows that particular research explicitly suggests optimal procurement techniques to promote effective procurement practices is missing.

Abdallah (2018) focussed on the impact of strategic procurement practice on the effectiveness of the humanitarian supply chain on the World Food Programme, WFP in Somalia. Using the focus group discussion just those in the v department, the further used study was obtained. Results showed that WFP Somalia provides the beneficiaries with defective food, free of charge and that owing to low quality food supply there are no incidents of ill health impacting the beneficiaries. Results have also shown that the WFP recipients of Somalia would not get food as promised. WFP regularly trains its staff but

does not do much to stimulate individual learning. The study was restricted to training and the other components of strategic buying procedures were not taken into account.

In Kihanya (2017), a case study by Kenia Airways Limited was carried out in Kenya on the influence of Supplier Relationship Management (SRM) in terms of organizational performances. The research showed that knowing and implementing supply chain management with a major focus on supplier relations is a vital condition for being competitive and profitable in the world race. The study also showed that businesses might enhance their performance by using SRM methods properly and so advised that organizations demonstrate greater SRM commitment by means of monitoring systems, Strategic assessment, and assessment of performance. In the extremely competitive market, such would surely enhance survival opportunities. Aspects of strategy creation and use of technology as strategic procurement procedures were not included in the research.

Kiage (2018) has discovered that planning, assignments of resources and contract management have a beneficial effect on procurement in the Ministry of Energy in research on factors that influence procurement performance in the ministry. The research approach employed in the study was a secondary-data desktop research. Books, journals and Internet search engines like the Google scholar are sources of the secondary data gathering. In this investigation, samples of unlikely events were employed. However, while current research is in agreement, it opens the door and covers topics such as suppliers, sources and organizational structures. The current research also examines the influence of strategic procurement strategies on private businesses' overall performance.

2.5 Barriers Faced in the Implementation of Strategic Procurement Practices

The development of procurement processes as a strategic facilitator is of importance for any company (Seurey, 2018). It is more complex than just adopting one of the models: they may be seen as descriptions of strategic procurement instead of prescribing its accomplishment. A key difficulty in developing the organizational strategy is highlighted by Odero and Ayub (2017): if the business strategy and functional strategy are not in line, the organization is likely to fail to meet its long-standing objectives. Corporate strategy misalignment eventually results in reduced profit margins, reduced market share and missed competitive chances. For instance, the

development of Category Management (CM) as a strategic technique for the procurement of businesses and their staff poses major problems.

The CM represents a significant change in the conventional procurement approach from demand-side cost control to supply-side cost control responsibility (Wambui, 2018). CM challenges a well-established organizational structure and needs procurement personnel to increase their abilities so that tasks like market research and analysis, management of projects and change are included, and new practices may be recognized and promoted. Many believe that the problems CM poses are worthy of lasting consideration, because CM has demonstrated that it can save ten million pounds in two to three years after implementation.

The broad ignorance of the benefits an organization may offer is one of the greatest problems facing the procurement department despite its widespread reports. The efficiency of strategic procurement procedures is largely dependent on its formality within the business, and in especially on the level of the Board of Directors. For smaller, few resources companies, this seems to be a particularly difficult. The absence of adequate skills and expertise may also hamper procurement experts to deal with the issues and possibilities arising in a strategically significant business function (Buffington and Howell, 2018). A summary of the literature review is given below. The table provides the scholar(s), the study, objectives, findings, and the research gap.

Table 2.1 shows the reviewed studies with research gaps to be filled.

Table 2.1: Summary of Literature and Knowledge Gaps

Author (s)	Study	Research Findings	Research Gap
Kiage (2017)	Factors affecting procurement performance	Procurement performance is affected by the efficiency and financial situation, client goals, policy choices, clear requirements for customers, bidding and reacting delay, delays in	However, the research failed to propose that private institutions include good procurement methods for training businesses in public procurement.

			approvals, proposal and bid assessment procedures, the necessity for a relaxing rule and project features	
Thai (2018)	Influence of procurement practices on performance management	of	Technology utilization has positive and significant influence on organization performance	The report fails to demonstrate how any of the procurement techniques may encourage successful procurement practices in private organizations
Handfield and Ragatz (2018)	Success factors in strategic alliances	in	From these experiments, the link between strategic procurement practice and business performance was statistically significant.	The study only narrowed down to training and the other aspects of strategic procurement practices were ignored.
Rao (2019).	Impact on competitive advantage and organizational performance of supply chain management techniques	on	Controlling procurement and procurement have a positive and substantial performance impact	The study did not include aspects of strategy development and technology utilization as strategic procurement practices in the study.
Abdallah (2018)	The impact of supplier relationship management on the	of	A favorable influence on the performance of the firm	This study did not particularly address the main obstacles of

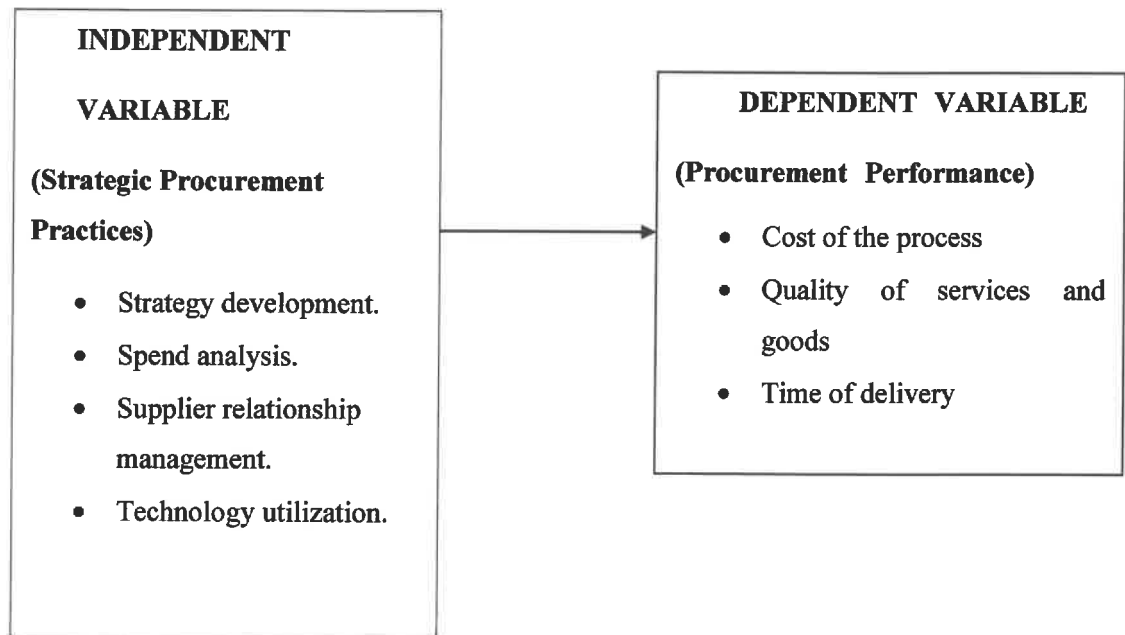
	effectiveness of the humanitarian supply chain in the Somali World Food Programme.	implementing efficient procurement procedures and hence developed an important knowledge gap.
Kihanya (2017)	The function of supplier management in the performance of the organization	A favorable link between training and corporate performance procurement monitoring The research did not explain clearly how businesses should utilize training to achieve effective procurement.

Source; Researchers (2020)

2.6 Conceptual Framework

The link between the variables in this study is described in Figure 2.1. Strategic procurement procedures are the independent variable, while the dependent variable is performance. Strategy development, spending analysis, supplier relations management and technology usage comprise various strategic procurement methods. Performance as a dependent variable with such indicators as: cost of procurement process, quality of goods and services and time taken to deliver required products.

Figure 2.1. Conceptual Model



Source: Researcher (2020)

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter explains how the information and findings of this research project was obtained. It describes the research design adopted, population, census, data collection methods, analysis and how findings were presented.

3.2 Research Design

The researcher utilized descriptive cross sectional survey design to ensure the researcher attain the fact finding aim of the study. Descriptive research design is used to explain current occurrences and enables in-depth data collecting. The transversal survey enables data to be collected at one time (Mugenda and Mugenda, 2003). The research aimed to collect information about prevailing conditions, practices, convictions and attitudes, ongoing processes and trends through the use of a descriptive cross-sectional survey.

3.3 Population

The population for this study was private hospitals in Nairobi County. According to Kenya Pharmtech Community (2021) currently there are 62 private hospitals in Nairobi County as shown in appendix III. A census was done to improve the response rate.

3.4 Data Collection

In the data gathering, the study employed primary sources. Data from the primary surveys was gathered. In this questionnaire, both closed, open and matrix items were organized to allow for variation. The structured issues are usually closely linked to alternatives, from which the solution should be chosen. Unstructured questions are open and allow respondents to offer their own replies. The questionnaire was distributed to respondents and picked up later. The respondents were employees in procurement departments in private hospitals in Nairobi County.

3.5 Data Analysis

Data collected from respondents were first checked for completeness and comprehensiveness. The returned and duly filled questionnaires and interview guides were verified, coded and tallied. The open-ended questions contained qualitative data that was analyzed through conceptual content analysis and was presented through narration. The closed ended questions consisted quantitative data. Both descriptive and inferential statistics was used to analyze data in the questionnaire. In the descriptive analysis, data collected was coded and edited as required and thereafter processed by the Statistical Packages for Social scientists (SPSS Version21.0). For all of the quantitative variables descriptive analyzed like frequencies (%), mean score and defect were estimated. The frequency tables were for the biological data of the research, and the regression analysis was for all variables. The regression equation was;

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$$

Where;

Y = Procurement Performance, β_0 = Constant Term, β_1 , β_2 , β_3 and β_4 , = Beta coefficients, X_1 = Strategy development, X_2 = Spend analysis, X_3 = Supplier relationship management, X_4 = Technology utilization and ε = Error term

Table 3.1 Summary of data collection and data analysis technique

Objective	Data collection	Data analysis techniques
General information	Section A	Descriptive statistics
Strategic procurement practices implemented by private hospitals in Nairobi County	Section B - E	Descriptive statistics
Strategic procurement practices on performance of private hospitals	Section F	Regression analysis

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

The study's general objective was to assess the impact of strategic procurement practices on performance of private hospitals in Nairobi County. This chapter covers the research findings, analysis and presentation of the study results as guided by the study goals. The response rate of the research instruments is first recorded. The demographic information of the respondents was also discussed. The descriptive analysis of the gathered data is covered on the grounds of the objectives. The chapter ends by documenting the discussion of the study findings.

4.2 Response Rate

The researcher undertook a census study in all the private hospitals based in Nairobi County. 62 questionnaires were distributed across all the 62 Private Hospitals in Nairobi County targeting employees working in procurement department. 56 questionnaires were filled and returned resulting to a response rate of 90.3%. Table 4.1 exhibits the respondent's who took part in the study.

Table 4.1: Return Rate

Response Rate	Frequency	Percentage
Responded	56	90.3
Not Responded	6	9.7
Total	62	100.0

Source: Researcher (2021)

Of the 62 distributed research questionnaires, only six (6) were not returned. This resulted in an 90.3% response rate. The response rate was high due to the constant reminders that were made via phone calls to all respondents requesting they answer all the questions. The implication of the high response rate to the study confirms strong findings in the area of investigation.

4.3 Background Information

The study aimed at describing the demographic information of the employees at procurement department of private hospitals in Nairobi County. This was with the aim of understanding the private hospitals to provide focus to the problem of the study. Therefore, the study gathered information on the gender, age, size, level of education, period of work and departments as presented below.

4.3.1 Distribution of Respondents by Gender

The purpose of the study was to determine the gender of those who took part in it. The goal was to figure out how many men and women participated in the research. The outcomes are presented in Table 4.2.

Table 4.2: Gender of the Respondent

	Frequency	Percent
Male	26	46.4
Female	30	53.6
Total	56	100.0

As per Table 4.2, 53.6% of the respondents were female while 46.4% of the respondents were male. This shows that the study received a better response from more females than male from the employees in procurement departments in private hospitals. Besides the findings shows that there was no bias in the study.

4.3.2 Highest Level of Education

Table 4.3 shows that 4 (7.1%) of the respondents had a certificate, 10 (17.9%) had a diploma, 26 (46.4%) had a degree, 16 (28.6%) had a Master's degree and 0(0%) had a PhD. Employees at private hospital procurement departments have acceptable academic credentials to participate in the study's data collection. The respondents were also able to provide reliable information regarding the issue under research due to their appropriate and excellent academic credentials.

Table 4.3 Highest Level of Education

Level of education	Frequency	Percentage
Certificate	4	7.1
Diploma	10	17.9
Degree	26	46.4
Masters	16	28.6
PhD	-	-
Total	56	100

4.3.3 Number of Working Years in the Facility

Table 4.4 shows the number of working years of the participants in the facility in which they are currently working in.

Table 4.4 Number of Working Years in the Facility

Number of Working Years in the Facility	Frequency	Percentage
Below 5 years	7	13
5 – 10 years	26	46
10 – 15 years	18	32
Over 15 years	5	9
Total	56	100

The researcher determined the length of time the respondents had served their current organizations. This was important since it paved way in the experience employees had in their specific departments which is essential in implementing different strategies (Popereshnyak, & Grinenko, 2019). 46% of the employees had worked in the facility for 5 to 10 years, 32% had worked for 10 to 15 years, 5% had worked for over 15 years and 13% had worked for a period below 5 years. The work experience in the field of study made it easy for the participants to respond easily to the study questions as they understood the institutions operations.

4.4 Strategic Procurement Practices

The researcher sought to establish several aspects relating to the adoption of strategic procurement practices within private hospitals in Nairobi County. The findings are summarized in the subsections below.

4.5 Extent of Strategic Procurement Practices

The study evaluated the extent the private hospitals had adopted the following strategy development measures. Table 4.5 shows that the hospitals adopted the following strategy development measures to a great extent as shown by an average score of 3.88 in that; having a strategic plan that ensured effective performance was enhanced (Mean=4.01), research and development (Mean=3.92), economic logic models (Mean=3.89) and strategic options in procurement (Mean=3.71) were adopted to a great extent.

On the extent the hospitals ensured spend analysis in ensuring procurement performance, the hospitals ensured spend analysis in the given to ensure procurement performance to a great extent as shown by an average score of 3.91 given that; Cost reduction measures (Mean=4.11), cost avoidance in overpriced goods and services (Mean=3.93), ensuring fair contract pricing and procurement compliance (Mean=3.88) and regulation of total spend under management (Mean=3.74) were ensured to a great extent.

Findings show that the hospitals had ensured the following during procurement process in supplier relationship management. Effective communication was ensured to a great extent as showed by a mean score of 4.05, improved networking skills was ensured to a great extent as showed by a mean score of 4.01, public relations were enhanced to a great extent as showed by a mean score of 3.99 and having professionals to deal with supplier relationship was enhanced to a great extent as showed by a mean score of 3.88.

Results in Table 4.5 indicate that hospitals ensured the following in technology utilization in ensuring procurement performance to a great extent as shown by an average score of 4.02. Ensuring an integrated system that improved performance (Mean=4.09), having the updated technology (Mean=4.03), ensuring budget for the IT was achieved (Mean=4.01) and having the infrastructure needed and access were ensured by the hospitals to a great extent.

Table 4.5 Extent of Strategic Procurement Practices

Extent of Strategy Development	Mean	Std. Deviation
Having a strategic plan that ensures effective performance is enhanced	4.01	1.747
Research and development	3.92	1.832
Economic logic models	3.89	1.840
Strategic options in procurement	3.71	0.640
Total	15.53	6.059
Average	3.88	1.514
Extent of Spend Analysis	Mean	Std. Deviation
Cost reduction measures	4.11	0.903
Cost avoidance in overpriced goods and services	3.93	1.687
Ensuring fair contract pricing and procurement compliance	3.88	1.892
Regulation of total spend under management	3.74	0.997
Mean	15.66	5.479
Average	3.91	1.369
Extent of Supplier Relationship Management		
Effective communication	4.05	.336
Improved networking skills	4.01	1.903
Public relations enhanced	3.99	.562
Having professionals to deal with supplier relationship	3.88	1.442
Total	15.93	4.243
Average	3.98	1.060

Extent of Technology Utilization		
Ensuring an integrated system that improves performance	4.09	1.562
Having the updated technology	4.03	.193
Ensuring budget for the IT is achieved	4.01	.654
Having the infrastructure needed and access	3.95	1.328
Total	16.08	3.737
Average	4.02	0.934

4.6 Extent of Procurement Performance

Table 4.6 established that quality of deliveries had been ensured to a great extent as shown by an average score of 4.05, procurement productivity had been ensured to a great extent as shown by an average score 4.02, timely delivery of goods and services procured had been guaranteed to a great extent as shown by an average score 3.92 and procurement cost reduction had been witnessed to to a great extent as shown by an average score 3.79.

Table 4.6 Extent of Procurement Performance

Procurement Performance	Mean	Std. Deviation
Quality of deliveries has been ensured	4.05	.876
Procurement productivity has been ensured	4.02	1.693
Timely delivery of goods and services procured has been guaranteed	3.92	.543
Procurement cost reduction has been witnessed	3.79	1.423
Total	15.78	4.535
Average	3.94	1.133

4.7 The Effect Strategic Procurement Practices on Performance

The influence of the independent factors on the dependent variable was determined using regression analysis in this study. The results of the regression analysis were as follows:

4.9.1 Model Summary

Table 4.7 shows the model summary presenting the square coefficient results;

Table 4.7 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.870 ^a	0.756	0.734	1.1982

Predictors: (Constant), strategy development, spend analysis, supplier relationship management and technology utilization

The value of R square is 0.756 which means that 75.6% variation in procurement performance of private hospitals in Nairobi County was due to variations in their strategic procurement practices namely strategy development, spend analysis, supplier relationship management and technology utilization. The high percentage shows that the model is fit for the prediction. As a result, additional factors not included in the model or not examined in the current study accounted for 24.4 percent of variance in procurement performance of private hospitals in Nairobi County.

4.9.2 Analysis of Variance (ANOVA)

Table 4.8 ANOVA (Analysis of Variance)

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	209.552	4	52.38800	34.16	.0000 ^a
1	Residual	67.481	44	1.53366		
	Total	277.033	48			

a. Predictors: (Constant), technology, customers, and business owners
 b. Dependent Variable: Procurement performance

The "F" column provides a statistic for testing the hypothesis that all $\beta \neq 0$ against the null hypothesis that $\beta = 0$ (Weisberg, 2005). According to the findings in Table 4.9 above, the p value is .0000 which is less than 0.05 thus the model was statistically significant in predicting how the selected strategic procurement practices that included strategy development, spend analysis, supplier relationship management and technology utilization affected the procurement performance of private hospitals in Nairobi County.

4.9.3 Regression Coefficients Results

Table 4.9 Regression coefficients results

	Unstandardized		Standardize d	t	Sig.
	Coefficients				
	B	Std. Error	Beta		
(Constant)	5.742	.748		7.67	.000
Strategy development [X ₁]	0.691	.216	.618	3.19	.002
Spend analysis [X ₂]	0.739	.182	.671	4.06	.000
Supplier relationship management [X ₃]	0.842	.162	.770	5.19	.000
Technology utilization [X ₃]	0.775	.168	.719	4.61	.000

a. Dependent Variable: Procurement performance

Based on the regression results shown in Table 4.20, the regression model became.

$$Y = 5.742 + 0.691 X_1 + 0.739 X_2 + 0.842 X_3 + 0.775 X_4$$

Using the coefficient of determination above, the supply chain management of private providers in Nairobi County would be 5.742 if all parameters (strategic development, expenditure research, supplier involvement, and innovation use) were held constant at

zero. The findings also revealed that an unit change in corporate strategy could very well result in a 0.691 decline in personal hospital logistics performance in Nairobi County, while a percent increase in cost analysis could very well consequence in a 0.739 increase in domestic hospital service delivery in Nairobi County; a positive coefficient in procurement would result in a 0.842 rise in private healthcare procurement processes in Nairobi County, whereas a positive coefficient in innovation use would result in a 0.775 increase in domestic hospital service delivery in Nairobi County. The four factors were meaningful ($p = 0.05$) at the 5% probability value [or 95% strong belief], with strategic sourcing is perhaps the most crucial development acquisition practice influencing the procurement effectiveness of internal audit healthcare institutions in Nairobi County, preceded by instructional technology, billion globally, and strategic planning, in that order.

4.8 Discussion of Findings

The study established that having a strategic plan that ensured effective performance was enhanced, research and development, economic logic models and strategic options in procurement were adopted to a great extent. The findings are in support with a study done by Odero and Ayub (2017) who stated that measures planning is an essential aspect of the PPP. Measures should be intended to offer a continuous indication of progress towards achieving targets and targets in tactics and plans. They also say that it is necessary to establish accountability in strategies and tactics, to allocate success control measures and to periodically report on progress, to ensure that the plan is workable and employed to accomplish intended objectives. Good progress can provide the chance to focus on certain tactics or to improve them, while failure to achieve objectives could signal those changes are needed. Strategic procurement methods should be measured in terms of the advantages they have provided in relation to the projected achievements of their projects in accordance with the original procurement strategy and the implementation of their plans. Perhaps one year after the contract is accepted, this might take the shape of a post-contract audit. To learn from the experience and expand on the present trade agreements, the findings should be published and discussed by the procurement management experts and their sourcing board (Buffington and Howell, 2018).

The study indicated that cost reduction measures, cost avoidance in overpriced goods and services, ensuring fair contract pricing and procurement compliance and regulation of

total spend under management were ensured to a great extent. This was in line with Amolo (2017) who observed that cost analysis was characterized as a cost analysis based on dimensions such as the kind of goods and services and providers, number of contracts and expenses and other elements illustrating how the present figures are used to perform products and services. Data from many sources for spending analysis may take several forms. As seen by the preceding definitions, expenditure data might be money spent on goods, services, and even daily work. Procurement authorities can set up procedures and/or checkpoints that prevent and regulate random expenditure by applying expenditure analyses to business operations.

The study further found that effective communication, improved networking skills, public relations and having professionals to deal with supplier relationship was enhanced to a great extent. This was in support with Rotich and Okello (2018) who pointed out that supplier relationships have been characterized as two or more supply chain participants working together to generate a competitive benefit by exchanging knowledge and sharing advantages that come from higher profitability than acting alone in fulfilling their customer demands. Sharing of information, shared decision-making and incentive coordination enhance collaborative activities through exchanging information between purchaser and supplier. Strategic ties with suppliers begin long before initial order, and last much beyond the receipt of the goods. Strategic relationship management aims to optimize both supplier and customer benefits and to discover and implement mutually symbiotic achievements for both parties. It enables procurement to establish strategies for working with suppliers to offer ongoing value for money and to decrease the risk of inadequate or unavailable performance or non-supply.

The study also established that ensuring an integrated system that improved performance, having the updated technology, ensuring budget for the IT was achieved and having the infrastructure needed and access were ensured by the hospitals to a great extent. Technology improves unrestricted and limitless access to information, improves market openness and boosts complementarity-based economic integration. Offers of major advantages are cost and process reduction, possible expansion of the supplier base, simple access to desired items (specified quality criteria), intelligibility in information and easy comparison between the recording of goods and purchases, and consequent cost monitoring. Procurement technologies likewise capture a virtual market, available to

capable providers and use digital signatures to ensure transaction legislation throughout the full procedure (Johnson, 2019).

CHAPTER FIVE

SUMMARY OF THE FINDINGS, DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter generates a summary of the findings. Additionally, conclusions alongside their respective implications will be discussed in the chapter. Moreover, the chapter also reflects on other scholarly work to be conducted to fill the necessary research gaps.

5.2 Summary of the Findings

The study established that having a strategic plan that ensured effective performance was enhanced, research and development, economic logic models and strategic options in procurement were adopted to a great extent.

The study indicated that cost reduction measures, cost avoidance in overpriced goods and services, ensuring fair contract pricing and procurement compliance and regulation of total spend under management were ensured to a great extent.

The study further found that effective communication, improved networking skills, public relations and having professionals to deal with supplier relationship was enhanced to a great extent.

The study also established that ensuring an integrated system that improved performance, having the updated technology, ensuring budget for the IT was achieved and having the infrastructure needed and access were ensured by the hospitals to a great extent.

Further, quality of deliveries had been ensured, procurement productivity, timely delivery of goods and services procured had been guaranteed and procurement cost reduction had been witnessed to a great extent.

A statistically significant positive relationship was also established between the four selected strategic procurement practices (strategy development, spend analysis,

supplier relationship management and technology utilization) and procurement performance of private hospitals in Nairobi County.

5.3 Conclusions

Sustainable sourcing has a considerable favorable influence on the performance of private hospitals in Nairobi County, Kenya, according to the findings of the investigation. The statistical study revealed a favorable association between procurement performance and efficiency. As a result of the positive association shown in the regression analysis, strategic procurement had a substantial impact on the performance of private hospitals. As a result, an increase in strategic procurement has a favorable effect on the effectiveness of private hospitals.

Furthermore, the data revealed that strategy creation had a quantitatively direct and significant positive link with private healthcare performance in Nairobi City County, Kenya. The positive link indicates that if strategy creation is better, performance will increase as well. Overall, it was claimed that building a client niche was critical in assisting the company's performance to improve while continuing to grow.

Consequently, procurement strategy was shown to have a strong and favorable link with the performance of the selected institutions in Nairobi City County, Kenya. Customer attention has a major favorable influence on private hospitals, according to the findings of the study. As a result, it was determined that enhancing relationship marketing has the potential to considerably enhance private health performance.

5.4 Recommendations of the Study

Based on the findings, and in light of the favorable association between strategic procurement and organizational success, it was suggested that private hospitals develop formal and recorded plans that are created by management. Following the creation of the strategies, they should be evaluated once a year to track success.

There is a need for private hospitals to utilize technology advancement to improve performance in the private hospitals. Executives and senior managers should ensure commitment to technology in order to ensure increased performance in the sector. Use of technology advancement should be increased to ensure firms vision, strategically thinking and plan are adhered to. Private hospitals should be encouraged to integrate strategic and

operational activities by use of IT and technology system to facilitate internal devolution of management capacities.

Because relationship marketing was managed to find to be a significant predictor of private healthcare organizational efficiency in the study, it was strongly advised that hospital inpatient organisation ensure optimal strategic contracting is properly organized and that continuous review be done on a regular basis to help insure they would not detract from either the plans. Management mechanisms should also be put in place to allow for strategy control and maintenance. Appropriate resources should also be allocated, since this will ensure that the specified plans are carried out.

5.5 Limitations of the Study

The researcher set several limitations to this study. First, the study focused only on private hospitals in Nairobi County hence leaving out public hospitals in Nairobi County and all other hospitals out of Nairobi County. This was majorly because of time and money limitations.

The researcher further limited its data sources to only primary data and used questionnaires alone to collect this data. In undertaking data collection, the study was limited to respondents in procurement departments' in private hospitals in Nairobi County leaving out the rest. Many of the responders were also difficult to reach due to clashing scheduling, while others were unwilling to provide input to the author due to rigorous information management issuance laws. However, this was prevented by receiving an authorization letter from the appropriate authorities inside the organizations.

5.6 Recommendation for Further Studies

This study only focused on spend analysis, supplier relationship management, strategy development and technology utilization. There is a need to undertake further studies to determine how other variables like staff competence, systems, and goals influence performance of private hospitals.

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APPENDICES

Appendix I: Introduction Letter

Dear Sir/Madam,

I am a student in the University of Nairobi, conducting a research titled: **STRATEGIC PROCUREMENT PRACTICES AND PERFORMANCE OF PRIVATE HOSPITALS IN NAIROBI COUNTY** support me meet part of the Business School Master's need for my requirements. I'd want to hear your thoughts about this kindly. Privacy will be significantly taken into account in all your answers. I hope that all my questions may be answered. The information you submit is used solely for academic study and is dealt with the information that is confidential and discreet. No such information shall be communicated to any authority, nor shall the name of the respondent divulged to anybody. Please feel free to inquire if you want any questions clarified. You will enjoy your answers very much. Thank you very much.

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Jade Kimunya

Student

Appendix II: Research Questionnaire

SECTION A: Demographic Information

(Please tick your answers in the boxes provided)

1. Indicate your gender;

Male [] Female []

1. What is your age

18-27 [] 28-37 [] 38-47 [] Above 47 []

2. State your highest level of education

Certificate [] Diploma [] Degree [] Masters [] PhD []

Others.....

3. How many years have you been working in the current facility?

a) Below 5 years []

b) 5 – 10 years []

c) 10 – 15 years []

d) Over 15 years []

4. Indicate your department and year(s) worked
..... under the department

SECTION B: Strategy development

5. To what extent has your hospital adopted the following strategy development measures? 1 =Strongly Disagree, 2 = Disagree , 3= Undecided, 4 =Agree and 5 = Strongly Agree

	1	2	3	4	5
Research and development					
Economic logic models					
Strategic options in procurement					

Having a strategic plan that ensures effective performance is enhanced					
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SECTION C: Spend analysis

6. To what extent has your hospital ensured spend analysis in the given to ensure procurement performance? 1 =Strongly Disagree, 2 = Disagree , 3= Undecided, 4 =Agree and 5 = Strongly Agree

	1	2	3	4	5
Cost reduction measures					
Cost avoidance in overpriced goods and services					
Regulation of total spend under management					
Ensuring fair contract pricing and procurement compliance					

Section D: Supplier relationship management

7. In supplier relationship management to what extent has your hospital ensured the following during procurement process? 1 =Strongly Disagree, 2 = Disagree , 3= Undecided, 4 =Agree and 5 = Strongly Agree

	1	2	3	4	5
Improved networking skills					
Effective communication					
Public relations enhanced					
Having professionals to deal withsupplier relationship					

Section E: Technology utilization

8. To what extent has your hospital ensured the following in technology utilization in ensuring procurement performance. 1 =Strongly Disagree, 2 = Disagree , 3= Undecided, 4 =Agree and 5 = Strongly Agree

	1	2	3	4	5
Having the updated technology					
Ensuring an integrated system that improves performance					
Having the infrastructure needed and access					
Ensuring budget for the IT is achieved					

SECTION F: Procurement Performance

9. To what extent do you agree with the following statement? using the scale provided: 1 =Strongly Disagree, 2 = Disagree , 3= Undecided, 4 =Agree and 5 = Strongly Agree

Procurement Performance	1	2	3	4	5
Procurement cost reduction has been witnessed					
Quality of deliveries has been ensured					
Timely delivery of goods and services procured has been guaranteed					
Procurement productivity has been ensured					

THANK YOU FOR YOUR TIME AND PARTICIPATION

Appendix III: List of Private Hospitals in Nairobi County, Kenya

1. AGA KHAN UNIVERSITY HOSPITAL
2. MERIDIAN MEDICAL CENTER
3. ACACIA MEDICAL CENTER
4. MERIDIAN EQUATOR HOSPITAL LIMITED
5. SAVANNAH HEALTHCARE SERVICES
6. ST. MARY'S HOSPITAL LANGATA
7. AVENUE HEALTHCARE
8. BRISTOL PARK HOSPITAL
9. COLUMBIA AFRICA HEALTHCARE LIMITED
10. CHIROMO LANE MEDICAL CENTRE
11. COPTIC MISSION HOSPITAL
12. GERTRUDE GARDENS CHILDREN HOSPITAL
13. GURU NANAK RAMGARHIA SIKH HOSPITAL
14. JAMAA MISSION HOSPITALS
15. LIONS SIGHTFIRST EYE HOSPITAL
16. M.P SHAH HOSPITAL
17. MADINA NURSING HOME
18. MARIAKANI COTTAGE HOSPITAL
19. MASABA HOSPITAL
20. MELCHIZEDEK HOSPITAL
21. METROPOLITAN HOSPITAL, NAIROBI
22. MOTHER AND CHILD HOSPITAL

23. NAIROBI EAST HOSPITAL
24. NAIROBI SOUTH HOSPITAL
25. LANGATA HOSPITAL
26. LADNAN HOSPITAL
27. NAIROBI EQUATORHOSPITAL
28. NAIROBI WEST HOSPITAL
29. NEW LANGATA MEDICALCENTRE
30. PARKLANDS AMBULATORY SURGICAL CENTRE
31. SOUTH BHOSPITAL
32. KARENHOSPITAL
33. THE MATERHOSPITAL
34. THE NAIROBI HOSPITAL
35. NAIROBI WOMEN'S HOSPITAL
36. MEDANTA AFRICARE
37. ST. FRANCIS COMMUNITY HOSPITAL
38. JACARANDA HEALTHCARE
39. THE GERMAN MEDICAL CENTER
40. MEDIHEAL HOSPITAL
41. CARE HOSPITAL
42. KASARANI MATERNITY AND NURSING HOME
43. ST. SCHOLASTICA UZIMA HOSPITALMARURA NURSING HOME

44. MARIA IMMACULATE HOSPITAL
45. RADIANT HOSPITAL.
46. FAMILY HEALTH OPTIONS KENYA
47. GARDEN SPECIALIST HOSPITAL
48. PENDA HEALTH
49. APPLES + SENSE
50. OASIS HEALTHCARE GROUP
51. WESTLANDS MEDICAL CENTRE
52. THE LIFELINE GROUP OG HOSPITALS – WENDANI
53. KOMAROCK MODERN HEALTHCARE
54. ST PATRICK HEALTHCARE CENTRE
55. REINHA ROSARY HOSPITAL
56. MIDHILL HOSPITAL
57. RUAI FAMILY HOSPITAL
58. WEMA HOSPITAL
59. AAR HEALTHCARE
60. SCION HOSPITAL
61. RUARAKA UHAI NEEMA HOSPITAL.
62. MARURA NURSING HOME.

Source: Kenya Pharmtech Community (2021)