

# Factors Affecting Procurement Planning in Bungoma County Government in Kenya

Joseph Waswa Mutoro\* Elizabeth Nambuswa Makokha Prof. Gregory Namusonge  
School of Human Resource Development, Department of Entrepreneurship and Procurement. Jomo  
Kenyatta University of Agriculture and Technology, P.O. Box 62000 - 00200, Nairobi Kenya

## Abstract

The purpose of the study was to determine factors affecting procurement planning in Bungoma County Government in Kenya. The specific objective was to determine the effect of service delivery standards on procurement planning in Bungoma County Government. Theories on which the study was grounded included institutional theory, linear policy model theory and Hegelian Dialectic theory. A descriptive survey research design was used in this study. A target population census of forty three included procurement County officers and staff from Bungoma County Government. Of the forty three respondents, forty returned their questionnaires. Both primary and secondary data was collected by use of questionnaires. Validity of the instrument was done through pilot study and subjective judgments by the experts/supervisors while reliability was determined by Cronbach's alpha coefficient. The hypothesis stated; service delivery had no significant influence on procurement planning in Bungoma County. The study rejected the null hypothesis because of the calculated P value. The conclusion was that service delivery had significant positive influence on procurement planning. This was because of the calculated B value of service delivery. This showed a significant influence on procurement planning in Bungoma County. The study recommended that; The County government of Bungoma to provide proper procurement plans to enable smooth running of procurement in the county, the procuring units to bring about integration of the diverse decisions and activities during procurement planning and be responsible for dividing requirements allocated to a single procurement process into separate lots, each user department to prepare a multi annual work plan based on the approved budget and let citizens also work with NGOs, CBOs and political parties to develop proposals for the council to consider during planning phase and the county government to employ skilled personnel to facilitate efficient and effective service delivery in public sector organization and meeting the rising needs of local people. A study on influence of procurement planning on County Government performance for the private sector was recommended by this research. The findings from the study may particularly be useful to the existing and future organizations, all state corporations, stake holders in the County Governments and academic institutions, future researchers and other academicians who will undertake the same topic in their studies, policy makers within public and private sectors, leaders and managers in state corporations and societies.

**Keywords:** Service Delivery, Procurement Planning

## 1.0 Introduction

According to Roodhooft and Abbeele (2006), public bodies have always been big purchasers, dealing with huge budgets. Mahmood, (2010) also reiterated that public procurement represents 18.42% of the world GDP. In the UK, public procurement expenditure is approximately £150 billion (DEFRA, 2007). Government is often the single biggest customer within a country, and governments can potentially use this purchasing power to influence the behavior of private sector organizations (Charles, 2007). In developing countries, public procurement is increasingly recognized as essential in service delivery (Basheka & Bisangabasaija, 2010), and it accounts for a high proportion of total expenditure. Van Wheel (2005) defines procurement planning as the process of determining the procurement needs and the timing of their acquisition and funding such that the entire operations are met as required in an efficient way. He adds that it generates power that propels the engine of the procurement process. Thus a mistake in procurement planning may culminate into diverse implications in the organization that may deter its progress. Procurement planning in Kenya is part and parcel of the traditional planning already familiar in local governments: - notably, development planning and budgeting

Globally, in many developed nations, public sector expenditure is substantial. Government organizations across the world tend to spend between 8 per cent and 25 per cent of GDP on goods and services (OECD, 2006). The close relationship between procurement and development demonstrates that there is need for effective procurement planning that is transparent and accountable in the manner in which procurement processes and procedures are conducted (Muindi, 2014). A key factor that affects effective implementation of procurement practices is making an entire organization department well prepared and responsible in some way for procurement. It is guided by principles of transparency, accountability, and achieving value for money for citizens and taxpayers. (Simpson & Power, 2007). Across the globe the procurement services can determine the success or failure of any organization. According to Agaba et al, (2007), procurement planning is the process used by companies or public institutions to plan purchasing activity for a specific period of time. This is commonly completed during the budgeting process. Each year, departments are required to budget for staff, expenses, and purchases. This is the first step in the

procurement planning process world over ( Mahmood, 2010)

In developing countries, public procurement is increasingly recognized as essential in service delivery (Basheka & Bisangabasaija, 2010), and it accounts for a high proportion of total expenditure. For example, public procurement accounts for 60% in Kenya, 58% in Angola, 40% in Malawi and 70% of Uganda's public spending (Mwangi, 2014); Government of Uganda, 2006) as cited in Basheka and Bisangabasaija (2010) and public procurement spending represents 29 per cent of South Africa's GDP (Letsoalo, 2013). These are extremely huge figures compared to the global average of 12-20%. The competitiveness of the government at both the central and in the devolved structure is affected by the procurement function (Kariuki, 2013).

Van Wheel (2005) defines procurement planning as the process of determining the procurement needs and the timing of their acquisition and funding such that the entire operations are met as required in an efficient way. He adds that it generates power that propels the engine of the procurement process. Economic commission of Africa (2003) defines procurement planning as the purchasing function through which organizations obtain products and services from external suppliers. Procurement planning is one of the primary functions of procurement with a potential to contribute to the success of public institution's operations and improved service delivery (Basheka, 2008). It is a function that sets in motion the entire acquisition/procurement process of public institutions. A procurement plan must be integrated into annual sector expenditure programs to enhance financial predictability (PPOA, 2007) and Public Procurement and Disposal General Manua; Section 26 (3) of the Act and Regulations 20 and 21 make procurement planning mandatory. The procurement plans are prepared as part of the annual budget preparation process as they are necessary to inform the cash flow preparation. The annual procurement planning is an integral part of the budget processes. Therefore, it is important to appropriately plan multiyear procurement and to integrate them into the medium term budgetary frameworks (Basheka & Mugabira, 2008). Poor procurement planning has been one of the major stumbling blocks to the economic development of Africa and it has been clear that a number of African countries have not paid adequate attention to the proper management of public resources (Basheka, 2009). For decades procurement planning has been attracting great attention from practitioners, academicians and researchers due to poor performance resulting from non-adherence to proper procurement planning (Onyango, 2014). An efficient public procurement system is vital to the advancement of African countries and is a concrete expression of the national commitment to making the best possible use of public resources (Rotich, 2011). The influence of new public management (NPM) philosophies in the functioning of the public sector has been embraced procedurally by government departments in a number of African Countries.

Public Procurement in Kenya is guided by the PPAD Act 2015 and the Public Procurement and Disposal Regulations, 2014. These provide specific guidelines for all activities carried out with regard to procurement and disposal of assets and staff involved in the procurement process. It is concerned with how public sector organizations spend taxpayers' money on goods and services (Hall, 2009). It is guided by principles of transparency, accountability, and achieving value for money for citizens and taxpayers. Globally, in many developed nations, public sector expenditure is substantial. Government organizations across the world tend to spend between 8 per cent and 25 per cent of GDP on goods and services (OECD, 2006). The close relationship between procurement and development demonstrates that there is need for effective procurement planning that is transparent and accountable in the manner in which procurement processes and procedures are conducted (Muindi, 2014). A key factor that affects effective implementation of procurement practices is making an entire organization department well prepared and responsible in some way for procurement (Simpson & Power, 2007). According to Roodhooft and Abbeele (2006), public bodies have always been big purchasers, dealing with huge budgets. Mahmood, (2010) also reiterated that public procurement represents 18.42% of the world GDP. In the UK, public procurement expenditure is approximately £150 billion (DEFRA, 2007). Government is often the single biggest customer within a country, and governments can potentially use this purchasing power to influence the behavior of private sector organizations (Charles, 2007). In developing countries, public procurement is increasingly recognized as essential in service delivery (Basheka & Bisangabasaija, 2010), and it accounts for a high proportion of total expenditure. For example, public procurement accounts for 60% in Kenya, 58% in Angola, 40% in Malawi and 70% of Uganda's public spending (Mwangi, 2014); Government of Uganda, 2006) as cited in Basheka and Bisangabasaija (2010) and public procurement spending represents 29 per cent of South Africa's GDP (Letsoalo, 2013). These are extremely huge figures compared to the global average of 12-20%. The competitiveness of the government at both the central and in the devolved structure is affected by the procurement function (Kariuki, 2013).

The devolved government structure has shifted the resources allocation and public expenditure into the county government to enable faster service delivery to Kenyans. The devolution has thus created the capacity for the county governments to be allocated development resources from the national resources as well as to collect revenues from the citizens in their jurisdiction (Kipkech & Kwasira, 2015). The efficiency of the public procurement plays a significant role in the quality of services provided by government institutions and in the responsiveness of the government to the public needs (Mauki, 2014). According to Kariri (2013), public procurement plays a critical role in the production and service delivery processes as public institutions must source

the resources they need to function from third parties. The combined work plan for the procuring and disposing entity include details of activities of works, services or supplies to be procured, a schedule of procurement requirements in order of priority, a statement of required resources supported by a schedule of the projected funding. As part of the efforts to adopt a long term and strategic view of their procurement needs and management, most countries have resorted to turning to their annual procurement plans as a possible 'problem-solver.'

However procurement plans are hindered by corruption which diverts decision-making and the provision of services from those who need them to those who can afford them (Langseth *et al.*, 1997). Some of the major scandals witnessed in Kenya history include; cemetery, maize, Anglo-leasing and Triton petroleum where billions of shillings were lost through the procurement function (Kioko & Were, 2014). Non-adherence to standardized procurement processes culminates in poor co-ordination within various departments and enhances presence of leakages of financial resources, which turns out to be costly component to the whole management process of the procurement function (Wanyonyi & Muturi, 2015). According to National Service Delivery Survey (2008), the government has the obligation to provide services to its citizens and to steer economic growth and development through the provision of public services. The public service is the main implementing machinery for national development programmes and specifically, the delivery of public services. It is therefore very important for the public service to monitor and evaluate the delivery of public services and to obtain feedback from service recipients, regarding their efficiency and effectiveness (Munene, 2012).

In service delivery, the system of delivery must view tax payers as customers; this therefore calls for placing "a high priority on delivery of personalized efficient customer service (Lisa 2010)." He further noted that attitudes exhibited by service providers employees and managers must be aimed at developing good working relations and ensuring that customers (tax payers/citizens) are handled well while being served. Public procurement being a Government business system is concerned with the Government procurement process; hence the processes are expected to be more transparent and accountable (Mahmood, 2010). However, challenges such as unjustified or hidden procurement plans, lack of need assessments, lack of monitoring capacity of Government, inconsistent cost estimate are always experienced (Weele, 2010). Other challenges faced especially in the traditional purchasing procedures consisted mainly of three phases namely identification phase, ordering phase and post-ordering phase, have been faulted for a number of inefficiencies such as a sequence of non-value clerical activities, excessive time in processing orders and excessive costs of purely transactional activities among others (Lysons & Farrington, 2006).

According to PPDA (Public Procurement and Disposal of Assets) Act (2015) "procurement" means acquisition by purchase, rental, lease, hire purchase license, tenancy, franchise or any other contractual means of any types of works, services or supplies or any combination. Vanwheel (2005) defines procurement planning as the process of determining the procurement needs and the timing of their acquisition and funding such that the entire operations are met as required in an efficient way. He adds that it generates power that propels the engine of the procurement process. Thus, a mistake in procurement planning may culminate into diverse implications in the organization that may deter its progress.

In Kenya, procurement planning is part and parcel of the traditional planning already familiar in local government notably, development planning and budgeting. The mandate for planning in local governments is derived from Regulation 62 of the local government (PPDA, 2006). User department prepare an annual work plan for procurement based on the approved budget, which shall be submitted to the procurement and disposal unit to facilitate orderly execution of annual procurement activities. It is also states that a procurement plan should be integrated into the annual sector expenditure program to enhance financial predictability accounting and control over procurement budgets. The combined work plan for the procuring and disposing entity will include details of activities of works, service or supplies to be procured, a schedule of 2 procurement requirements in order of priority a statement of required resources supported by a schedule of the projected funding. Article 194 of the Kenya constitution states that district councils shall prepare comprehensive and integrated development plans incorporating the plans of lower level governments for submission to the National planning Authority and Article 196 of the constitution mandates the central government to transfer funds in form of grants to local governments in order to implement decentralized countries services. As part of the efforts to adopt a long term and strategic view of their procurement needs and management, most countries have resorted to turning to their annual procurement plans as a possible 'problem-solver'. However procurement plans are hindered by corruption which diverts decision-making and the provision of services from those who need them to those who can afford them (Langseth, Kato, Kisubi & Pope, 1997). According to National Service Delivery Survey (2008), the government has the obligation to provide services to its citizens and to steer economic growth and development through the provision of public service. The public service is the main implementing machinery for national development programs and specifically the delivery of public services. It is therefore very important for the public service to monitor and evaluate the delivery of public services and to obtain feedback from service recipients, regarding their efficiency and effectiveness. The National Service Delivery Survey (NSDS) has been institutionalized by Government as a key instrument to that effect. Under the public service reform programme, surveys are conducted

in the sectors of education, health, road infrastructure, water and sanitation, agriculture and governance among others.

In service delivery, the system of delivery must view tax payers as customers, this therefore calls for placing “a high priority on delivery of personalized efficient customer service. Therefore this research seeks to investigate the effect of procurement planning of service delivery. Public procurement operates in an environment of increasingly intense scrutiny driven by technology, programme reviews, and public and political expectations for service improvements (Mungai, 2014). Failure to properly plan and manage the procurement process and systems can lead to wasted effort and poor development results consequently leading to increased poverty and deprivation of social and economic rights of the citizenry (Nyakundi *et al.*, 2012).

Ineffective procurement planning can lead to delays in requisition of goods and services thus leading to hindering of the service delivery. Thai (2009) maintains that forms and procedures may be convenient and useful tools, but the planning effort will succeed only with the complete commitment and involvement of top management, along with appropriate personnel that have a stake. This implies that, without thorough procurement planning, the subsequent procurement processes will not yield benefits (Thai, 2009). A study by Kiage (2013) on Factors Affecting Procurement Performance: Despite the numerous studies on implementation of procurement practices, the aspect of service delivery in relation to procurement planning has been largely neglected. It was against this background that the current study was carried out to determine the factors affecting procurement planning in Bungoma County Government through determination of the effect of service delivery standards on procurement planning in Bungoma county government in Kenya

## **2.0 Effect of Service Delivery Standards on Procurement Planning**

Basheka (2004) argues that procurement planning is one of the primary functions of procurement with a potential to contribute to the success of government operations and improved service delivery. It is a function that sets in motion the entire acquisition/procurement process of acquiring services in local governments. Mullins (2003) asserts that the contribution of procurement planning in facilitating an efficient and effective service delivery in public sector organizations is generally undisputed in both developed and developing countries. In developing countries, public procurement is increasingly recognized as essential in service delivery (Basheka & Bisangabasaija, 2010), and it accounts for a high proportion of total expenditure. However, Leni *et al.*, (2012) noted that there is a growing recognition that, despite significant increases in resources, public service delivery is still falling in many developing countries.

During procurement planning the accounting officer ensures that the public entity establishes a procurement unit, appoints members of the tender committee, procurement committee and other, structures in accordance with Act and the Regulations. Appointing members of the tender committee, appointing members of tender evaluation committees, Ensuring procurement plans are prepared, Ensuring proper documentation of procurement proceedings. Where payment to a service provider is anticipated to last more than one financial year, it is the role of the accounting officer to ensure that financial provision is made in the budget estimates for the appropriate year to support the procurement during the subsequent years. The accounting officer also ensures that sufficient funds are budgeted for framework contracts every financial year, to cover the full cumulative cost of call off orders anticipated for each year for a framework contract.

The Public Procurement law requires that each procuring entity establishes a procurement unit with procurement professionals. The lack of professionalism has been explained as a cause of non-compliance to procurement laws (De Boer & Telgen, 2006). Professionalism in public procurement relates to the levels of education and qualifications of the workforce as well as the professional approach to the conduct of business (Raymond, 2008). When the procurement workforce is not adequately educated in procurement there are serious consequences such as breaches of codes of conduct. Raymond (2008) links the level of professionalism with corruption, which has been shown to impede compliance to public procurement regulations. De Boer and Telgen (2006) also attribute non-compliance in public procurement to lack of purchasing professionalism in the public sector.

Communities or their representatives can also play some role in the evaluation of potential service providers, the involvement of communities in service provision and monitoring of the performance of service providers is vital in planning. This kind of involvement of citizens ensures that procurement planning and decision-making process reflect their needs and priorities and lead to the types of decisions that will make an effective service delivery in an open, fair and democratic local government (Livingstone & Charlton, 2001). Public procurement professionals have to strive to achieve three competing demands of meeting commercial interests with key themes of value for money, economy, efficiency and effectiveness; the regulatory interests with key themes of competition, transparency, equality and compliance and the social interests whose key themes include public interest, employment concerns, social exclusion, economic development and environment policy (Findlay, 2009). In an effort to attain these demands, organizations constantly look for employees who have skills necessary to deal with the wide variety of tasks faced by purchasing professionals (Gikonyo, 2014).

A relatively well-developed body of research by Daniel (2010), Onyinkwa (2013), Ombuki *et al.*, (2014), Ouma and Kilonzo (2014), Maina and Omboto (2016), Maurice (2014) and Patrick and Wallace (2016) explored implementation of procurement practices in public sector organizations in general and left a major knowledge gap on factors affecting procurement planning in public institutions. However, the environment in which procurement planning is conducted may not be supported by some of the important systems such as ICT tools. Therefore, very little research has been conducted specifically at the County government of Bungoma touching on factors affecting procurement planning.

In a study by Kiage (2013) on Factors Affecting Procurement Performance: The ideals of planning suggest that development and public infrastructure can be implemented in an atmosphere of complete harmony and that environmental, social and economic disruptions can be minimised and this assumes that there is full knowledge of the social, economic, political and physical systems within which such development is operating. Despite the numerous studies on implementation of procurement practices, the aspect of service delivery in relation to procurement planning has been largely neglected. It is against this background that the current study determined the factors affecting procurement planning in Bungoma County Government, Kenya.

### 3.0 Method

This study adopted a descriptive survey research design. The target population who were the beneficiaries of the services provided by the procurement department. A total population of 43 included the procurement and heads of other departments from Bungoma County Government. Census was adopted since the population was small. The questionnaire was used to operationalize the factors affecting procurement planning in Bungoma County Government. The questionnaire incorporated both closed and open-ended questions in a standardized form that was uniform for all respondents. The closed/ structured questionnaire were represented on a five point likert scale; SA= Strongly Agreed, A=Agreed, NS=Not Sure D=Disagreed and SD= Strongly Disagreed. According to Osano (2005) the questionnaire tool is the most appropriate since a quantitative data capture is a necessity, which can only be obtained directly from the respondents. Pilot test was done to test the validity and reliability of research instrument. Data analysis was done by SPSS, Multiple regression and Analysis of variance (ANOVA). The findings were presented in form of tables.

### 4.0 Discussion

Mullins (2003) asserts that the contribution of procurement planning in facilitating an efficient and effective service delivery in public sector organizations is generally undisputed in both developed and developing countries. Its contribution can be at both central and local government levels of public sector management. Results on effect of service delivery standards on procurement planning in Bungoma County Government, the respondents were asked to indicate the level of agreeableness for effect of service delivery standards on procurement planning in Bungoma County Government and the findings were presented in table 4.7 below.

**Table 4.1 Effect of service delivery standards on procurement planning**

statement	1	2	3	4	5
	%	%	%	%	%
Corruption does not have a direct impact on the provision of services since funds meant for these services are embezzled	46.6	34.7	6.3	12.4	0
The provision of better infrastructures such as roads and electricity has lagged being over 27.8 years	44.4	4.5	16.5	6.8	
The government is unable to deliver services to residents because of lack of finances	34.6	47.2	4	14.2	0
Poor communication with communities in Bungoma has also hampered the delivery of services in the area	20.5	27.8	8.5	43.2	0
Priorities are misplaced because projects are done not according to or as demanded by the people	34.6	47.2	4	14.2	0

KEY: Strongly disagree -1, Disagree -2, Neutral -3, Agree -4, Strongly agree -5

Regarding the service delivery, 46.6 percent of the respondents strongly disagreed that Corruption did not have a direct impact on the provision of services since funds meant for these services were embezzled while 34.7 percent of the respondents disagreed about the statement that Corruption did not have a direct impact on the provision of services since funds meant for these services are embezzled. 12.4 percent of the respondents however agreed that Corruption did not have a direct impact on the provision of services since funds meant for these services were embezzled. 6.3 percent of the respondents were neutral about the statement. The results revealed that the Corruption did not have a direct impact on the provision of services since funds meant for these services were embezzled.

On the statement whether the provision of better infrastructures such as roads and electricity had lagged

behind over years, 44.4 percent of the respondents disagreed, while 27.8 percent of respondents strongly disagreed. 16.5 percent of the respondents agreed that the provision of better infrastructures such as roads and electricity had lagged behind over years and 6.8 percent of the respondents were neutral on the statement.

The respondents were asked on the statement that the government was unable to deliver services to residents because of lack of finances; 47.2 percent of respondents disagreed while 34.6 percent of the respondents strongly disagreed. 14.2 percent of the respondents agreed to the statement that the government was unable to deliver services to residents because of lack of finances and 4 percent of the respondents were neutral.

On the statement of poor communication with communities in Bungoma County had also hampered the delivery of services in the area; majority of the respondents, 43.2 percent agreed that the poor communication with communities in Bungoma had also hampered the delivery of services in the area, 27.8 percent of the respondents disagreed about the statement, while 20.5 percent of respondents strongly disagreed and 8.5 percent of the respondents were neutral respectively. The results showed that majority of the respondents were for the idea that poor communication with communities in Bungoma had also hampered the delivery of services in the area

Finally, the respondents were asked on the statement that priorities were misplaced because projects were done not according to or as demanded by the people 47.2 percent of respondents disagreed while 34.6 percent of the respondents strongly disagreed that priorities were misplaced because projects were done not according to or as demanded by the people, 14.2 percent of the respondents agreed to the statement that the government was unable to deliver services to residents because of lack of finances and 4 percent of the respondents were neutral. Mawhood (1983) states that effective procurement planning is an important route towards securing the right service to be delivered to the public, and also maximizing the level of service provision which can be achieved within the local Supporting People.

#### 4.1 Hypotheses Testing

Hypotheses testing were done in order to establish the relationship between the independent variable- (service delivery) and the dependent variable (Procurement planning).

This study represents the analysis of the data and the results of the study were as discussed bellow. Hypothesis was tested against correlation using Pearson correlation and through regression analysis.

#### 4.2 Influence of service delivery and procurement planning

The correlation between service delivery and procurement planning was calculated using Pearson's Correlation as shown in table 4.2 below:

**Table 4.2: Correlation between service delivery and procurement planning**

		Service delivery	Procurement planning
<b>Company culture</b>	Pearson Correlation	1	.913**
	Sig. (2-tailed)		.000
	N	<b>40</b>	<b>40</b>

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The correlation between service delivery and procurement planning was 0.913. This meant that there was a strong positive association between service delivery and procurement planning.

#### 4.3 The Relationship between service delivery on procurement planning

Regression analysis was done to determine the relationship between service delivery on procurement planning. The results were as presented on table 4.3 below.

**Table 4.3: Regression analysis**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.857 <sup>a</sup>	.762	.662	1.080

a. Predictors: (Constant), service delivery

b. Dependent Variable: procurement planning

The coefficient of determination (Adjusted R<sup>2</sup>) indicates the strength of the variables selected. When we have low R<sup>2</sup>, it can be inferred that these predictor variables do not influence the dependent variable. The coefficient of determination (Adjusted R<sup>2</sup>) statistic of 0.662 indicates that the selected predictor variable (service delivery) accounted for 66.2 % of the variation in the procurement planning. This means that the selected predictor variables were significant in the determination of the dependent variable (procurement planning). However, there were still other variables that influenced procurement planning that were not captured in this particular model that accounted for the remaining 33.4% in variation of the procurement planning.

**Table 4.4: ANOVA using procurement planning**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	207.623	3	51.542	18.243	.000 <sup>a</sup>
	Residual	550.807	172	3.202		
	Total	758.430	175			

a. Predictors: (Constant), service delivery

b. Dependent Variable: procurement planning.

The above ANOVA table assessed the overall significance of the model with  $F=18.234$ . The overall model was significant because the significant value was 0.000 which was less than 0.05 at 95% confidence interval. We therefore failed to reject the model generated for determining procurement planning using service delivery. It thus meant that service delivery were critical in influencing procurement planning. Hence, the model construct was validated

**Table 4.5: Regression Coefficients for the Independent Variable using procurement planning**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
(Constant)	-.162	.044		-3.638	.000	-.162	.044
Service delivery	.797	.023	.678	35.140	.000	.797	.023

a. Dependent Variable: procurement planning

The model generated from the study was:

$$\text{Procurement planning} = -0.162 + 0.156X_1 + 0.000 + 0.678X_3$$

#### 4.4. Hypotheses Test Results

The hypothesis  $H_{03}$  stated; service delivery had no significant influence on procurement planning in Bungoma County. The P –value for service delivery was 0.000, hence we rejected the null hypothesis since the calculated P value was less than 0.05. We therefore concluded that service delivery had significant positive influence on procurement planning. The B value of service delivery was 0.678, that is, it had 67.8 percent influence on procurement planning. This showed a significant influence on procurement planning in Bungoma County.

#### 5.0 Conclusion and Recommendation

Basing on the findings, the study concluded that service delivery had no significant influence on procurement planning in Bungoma County. The P –value for service delivery was 0.00, hence rejected the null hypothesis since the calculated P value was less than 0.05. The study therefore, concluded that service delivery had significant positive influence on procurement planning. The B value of service delivery was 0.678. That is, it had 67.8 percent influence on procurement planning; this showed a significant influence on procurement planning in Bungoma county.

The study came up with a number of recommendations. The County government of Bungoma should provide proper procurement plans to enable smooth running of procurement in the county. The procuring units should bring about integration of the diverse decision and activities during procurement planning and be responsible for dividing requirements allocated to a single procurement process into separate lots. The county government should employ skilled personnel to facilitate efficient and effective service delivery in public sector organization and meeting the rising needs of local people. They should also seek to set in motion the entire procurement process of acquiring services in local government.

#### References

- Agaba, E & Shipman, N. (2007). "Public Procurement Reform in Developing Countries: The Kenyan Experience." Boca Raton, FL: Academics Press.
- Andrew, A. (2008). Strategic sourcing process model. *Journal of Business & Industrial and Labor Relations Review*, 99-120.
- Armstrong, M. (2008). *A hand book of Human Resource Management Practice* (10th ed.). London and Philadelphia: Kogan page.
- Arrowsmith, S, & Hartley, K. (2010). *Public Procurement* (4th Ed.). Northampton, MA: Elgar.
- Banda, E. (2009). *Politics and Economic Consequences* (1st ed.). Washington D.C: Centre For Study of Responsive Law.
- Basheka, B. (2004). *Procurement Planning and Local Governance in Kenya: A Factor Analysis Approach*.

- Organisation: Kenya Management institute.
- Basheka, B. C. & Bisangabasaja, E. (2010). Determinants of unethical public procurement in local government systems of Uganda: a case study. *Int. J. Procurement Management*, 3(1), 91-104
- Bluman, A. G. (2009). *Elementary Statistics*. A step by step approach. (7th edition). USA: McGraw-Hill.
- Bryman, A., & Bell, E. (2003). *Business Research Methods*. UK: Oxford University Press.
- Charles, N. (2008). Centralized and decentralized procurement functions. *Journal of supply chain Management*, 29 (4), 66-73.
- Christianne D, (2008). New developments in employee training. work study. *International Journal of Management*, 29 (1), 56 – 55
- Cooper, D. R., & Schindler, P. S. (2008). *Business Research Methods* (8th edition).USA: McGraw-Hill.
- Creswell, J.W. (2008). *Educational research; planning, conducting and evaluating Quantitative research* (3<sup>rd</sup>ed), upper saddle River, NJ: Pearson Education.
- Daniel, B. (2010). Cooperative sourcing, simulation studies and empirical data onoutsourcing. *Journal of Operation Management*, 44 (6), 144-167.
- De Boer, L., & Telgen, J. (2006). Purchasing Practise in Dutch Municipalities. *Journal of Supply Management*, 34(2), 31-36.
- Defee, C., Williams, B., Randall, W. S. & Thomas, R. (2010). An inventory of theoryin logistics and SCM research. *The International Journal of Logistics Management*, 21(3), 404-489.
- DEFRA (2006). *Procuring the Future. The Sustainable Procurement Task Force National Action Plan*. Department for Environment, Food and Rural Affairs, London actionplan/documents/full-document.pdf.
- Dempsey, B. (2003). *Research Methods*, (4th Edi) New Jersey: Pearson Publishers.
- deVaus, D. A. (2002). *Surveys in Social Research* (5<sup>th</sup> edn), London, Routledge.
- Economic Commission of Africa (2003). *Public Sector Management Reforms in Africa*. Addis Ababa, Ethiopia: Author.
- Farmer, D & Weele. V (2000), *Handbook of Purchasing Management*; 2nd ed. Hampshire.Gower.
- Findlay, C. (2009). The case for procurement outsourcing. *Journal of Procurement*, 33 (7), 144-146.
- Gelderman, J. C., Ghijsen, W. P. & Brugman, J. M. (2006). Public procurement and EU tendering directives- explaining non-compliance. *International Journal of Public Sector Management*, 19(7), 702-714.
- George,K.(2010). Procurement of technical works. *Journal of Procurement*, 22 (2), 146-143.
- Gikonyo, P. K. (2014). Factors Affecting Implementation of Public Procurement Act in SACCO Societies in Kenya. *International Journal of Academic Research in Business and Social Sciences*, 4 (2),169-194.
- Green,P & Tull,C (2009). *Research Methods*. (3rd Edition). Newyork: PearsonPublishers.
- Grindle,M.& Thomas,T. (2000). Managing supplier relationships. *Journal ofBusiness Logistics*, 28 (11),11- 35.
- Handfield, R.B. (2009). *Purchasing and supply chain management* (2nd Ed). New Jersey: Pearson Publishers
- Henry, G.T. (1990). *Practical Sampling*, Newbury Park, CA, Sage.
- Hui, W. S., Othman, R. O., Normah, O., Rahman, R. A. & Haron, N. H. (2011). Procurement issues in Malaysia. *International Journal of Public SectorManagement*, 24(6), 567-593.
- Kakwezi, P. & Nyeko, S. (2010). *Procurement Processes and Performance: Efficiency and Effectiveness of the Procurement Function*.
- Kariuki, E. (2013). Procurement Performance Measurement in Commercial Banks in Kenya. *International Journal of Social Sciences and Entrepreneurship*, 3(3)4–19.
- Kiage, O. J. (2013).Factors Affecting Procurement Performance: A Case of Ministry of Energy. *International Journal of Business and Commerce*. 3 (1), 54-70.
- Kioko, J. N., Were S. (2014). *Factors Affecting Efficiency of the Procurement Function at the Public Institutions in Kenya (A Case of Supplies Branch in Nairobi)*. Nairobi: Jomo Kenyatta University of Agriculture and Technology Press.
- Kipkech, N. J. & Kwasira, J. (2015). Influence of Human Capital Competency in the Implementation of the Public Procurement Procedures in Sub Counties of Uasingishu County, Kenya. *IOSR Journal of Business and Management (IOSR-JBM)*. Volume 17, Issue 5. pp 44-48
- Kothari C.R. (2004). *Research Methodology*, 2nd Ed., New Delhi: New Age International Publishers
- Langseth, P.; Kato,D. ; Kisubi, D. ; & Pope, J.(1997). Good Governance in Africa. A Case study from Kenya. *EDI Working Papers, Economic Development Institute of the World Bank*.
- Letsoalo, A. (2013). *Limpopo green economy plan including provincial climate change response*. Polokwane: Department of Economic Development, Environment and Tourism.
- Lind, D. A., Marchal, W. G., & Wathen, S. A. (2008). *Statistical Techniques inBusiness & Economics* (13th edition). USA: McGraw-Hill.
- Lisa, I. (2010). Compliance culture. A conceptual framework. *Journal of management and organization*.
- Livingstone, I. & Charlton, R.(2001). Financing Decentralized Development in a Low- Income Country: Raising Revenue for Local Governments in Uganda. *In Development and Change*. 32(2001), 77-100.



- Lysons, K., & Farrington, B. (2006). *Purchasing and Supply Chain Management* (6th ed). London, Prentice Hall: Financial Times.
- Mahmood, S. A. I. (2010). Public procurement and corruption in Bangladesh. Confronting the challenges and opportunities. *Journal of public administration and policy research*, 2(6), 103-111.
- Maina, W.D & Omboto, D. (2016). Factors Affecting the Implementation of the Public Procurement and Asset Disposal Act 2015 in Kenya (A Survey in Public Universities in Mombasa County). *The International Journal Of Business & Management*. 4(8), 139-158.
- Mamiro, R. G. (2010). Value for Money, The Limping Pillar in Public Procurement. *Tanzania Procurement Journal*, 4 -5.
- Mauki, R. (2014). The Regions Perspective of the Factors Infleuncing the Implementation of Public Procurement and Disposal ACT in the Kenyan Judiciary. *Journal of Management Research*, 2(3), 19–24.
- Maurice, J. D, (2014). Procurement Practices Influencing Service Delivery: A Case of Kenya Power. *European Journal of Logistics Purchasing and Supply Chain Management*. 2 (3), 79-137
- Mentzer, J. T., Stank, T. P. & Esper, T. L. (2008). Supply chain management and its relationship to logistics. Marketing, Production, and Operations Management. *Journal of Business Logistics*, 29(1), 31-46.
- Mburu, S. Njeru, A. (2014). Factors Affecting Procurement Performance in the Milk Processing Firms in Kiambu County. *International Journal of Science and Research*. ISSN (Online): 2319-7064
- Mugenda, O. M. & Mugenda, A. G. (2003). *Research Methods: Quantitative and Qualitative Approaches*. Nairobi: Acts Press.
- Muange, E. (2013). Procurement Legislation and Performance of Constituency Fund Committees in Kenya. *International Journal of Science and Research*, 2(3)19–22.
- Muindi, A. (2014). Factors influencing efficient public procurement in the free primary education. *Journal of supply chain Management*. 33 (11), 131-134.
- Mullins, D.R., (2003). *Accountability and Coordination in a Decentralized Context: Institutional, Fiscal and Governance Issues*. Washington, DC: American University.
- Munene F. (2012). *Incorporating green purchasing as a best practice in procurement of in-flight products at Kenya Airways Limited*, Unpublished MBA project, Nairobi: University of Nairobi.
- Mwangi, M. (2014). The Impact of Public Procurement Policy on Teaching and Learning in Public Secondary Schools in Kahuro District, Murang'a County, Kenya. *Interdisciplinary Journal of Contemporary Research in Business*, 2, 25–36
- Ngugi, K & Mugo, H. (2010). Internal factors affecting procurement process of supplies in the government ministries. *Journal of supply chain Management*. 44 (12), 144-
- Nunnally, J.C., & Bernstein, I.H. (1994). *Psychometric Theory*, (3<sup>rd</sup> edn), Mcgraw-Hill: New York
- Ndumbi, C. W., & Okello, B. (2015). Effect of Staff Training on Level of Compliance to Public Procurement System in Parastatals in Kenya. *International Journal of Economics, Commerce and Management*, 613-626.
- Nwabuzor, A. (2005). Corruption and development: new initiatives in economic openness and strengthened rule of law. *Journal of Business Ethics*, 59(1), 121-138
- Nyakundi, E., Kombo, C., Omari, R., Mongare, O. (2012). Challenges Facing Procurement Committees in Implementing the Procurement Act; A Case Study of Secondary Schools Procurement Committees in Kisii County, Kenya. *Elixir International Journal*. 9(1), 86-91
- Obanda, W. P. (2010). *Fighting corruption in tactical procurement*. PHD dissertation
- OECD (2006). Public procurement practices in developing countries. *Journal of supply chain Management*. 31 (11), 136-144.
- Ombuki, K., Arasa, R., Ngugi, P., & Muhwezi, M. (2014). Environmental Factors Influencing Procurement Regulatory Compliance by Kenya's Public Universities. *International Journal of Social Sciences and Entrepreneurship*, 1(9), 407-417.
- Onyango, C.J. (2014). Effects of Procurement Planning on Institutional Performance: A Case Study of Mombasa Law Court. *International Journal of Science and Research (IJSR)*. 3 (11), 446-455.
- Onyinkwa, J. (2013). Factors influencing compliance to procurement regulations in public sector. *Supply chain Journal*. Vol.36, No.9. pp. 111-124.
- Osano M. (2005), *Simplified Research methodology*, 3<sup>rd</sup> Edition Oxford Press, Serial Number BR0006029FD3495 Presented to the University of Dar-salaam.
- Ouma, D., & Kilonzo, J. M. (2014). Resource Allocation Planning: Impact on Public Sector Procurement Performance in Kenya. *International Journal of Business and Social Science*, 5(7), 169-173.
- Patrick, O. J. & Wallace, N. A. (2016). Factors Affecting Procurement Planning In Public Secondary Schools in Kenya: A Case Study of Secondary Schools in Migori County. *Imperial Journal of Interdisciplinary Research (IJIR)*. 2(8), 326-338
- Hillary, S. (2004). *Corruption – the Challenge to Good Governance: A South African Perspective*, Melbourne, Australia.

- Public Procurement Oversight Authority* (2007). Assessment of the Procurement System in Kenya. Nairobi: PPOA
- Raymond, J. (2008). Benchmarking in public Procurement. *Benchmarking: An International Journal*, 15(6), 782-793.
- Robson, C. (2002). *Real World Research: A Resource for Social Scientists and Practitioners researchers*, Oxford, Blackwell.
- Roodhooft, F. & Abbeele, A. V. D. (2006). Public procurement of consulting services. Evidence and comparison with private companies. *International Journal of Public Sector Management*, 19(5), 490-512.
- Rotich, L. M. (2011). *Influence of Planning on Procurement Performance in the Kenya Public Financial Sector*.
- Saunders, M., Lewis P., & Thornhill, A. (2009). *Research Methods for Business Students* (5th edition). New Jersey: Prentice Hall.
- Sekaran, U., & Bougie, R. (2010). *Research Methods for Business: A Skill Building Approach* (5th edition). New Jersey: John Wiley and Sons.
- Schapper, P. R., Malta, J. N. V. & Gilbert, D. L. (2006). An analytical framework for the management and reform of public procurement. *Journal of public procurement*, 6(1&3), 1-26.
- Smee, C. (2002). "Improving Value for Money in the United Kingdom National Health Service: Performance Measurement and Improvement in a Centralized System." *Improving Health Systems Performance in OECD Countries*. Vol. 23, pp 34-45
- Sun, B. & Shibo, L. (2005). "Learning and Acting Upon Customer Information-With an Empirical Application to the Service Allocations with Off-Shore Centers". *Marketing Science*, Vol. 24(3), pp. 430-443.
- Sutinen, J. G. & Kuperan, K. (1999). A socio-economic theory of regulatory compliance. *International Journal of Social Economics*, 26(1/2/3), 174-193.
- Thai, K. V (2009) *International Handbook of Public Procurement* 8th ed. Louisiana, CRC Press.
- Van Wheel, (2005). *Purchasing and Supply Chain Management: Analysis, Strategy, Planning and Practice* (5th ed). Andover: Cengage Learning.
- Velnampy (2010). Evaluation of factors influencing effective procurement Management, *Journal of Management*, 21 (8), 455-471
- Wanyama, J (2010). The effectiveness of the procurement regulations in Kenya. *Supply chain Management*, 11 (6), 132-134.
- Wanyonyi, C.S. & Muturi, W. (2015). Factors affecting performance of procurement function among public technical training institutions in Kisumu County, Kenya. *International Journal of Economics, Commerce and Management. United Kingdom*, 3 (5), 325-337.
- Weele, V. (2010). *Purchasing and Supply Chain Management: Analysis, Strategy, Planning and Practice* (5th ed). London: Thomson Learning Publishers.
- Wilmshurst, T. & Frost, G. (2000). Corporate environmental reporting: a test of legitimacy theory. *Accounting, Auditing, and Accountability Journal*, 13(1), 10-26.
- Wong, K.L., Ong S.F. & Kuek T.Y (2012). *Constructing a survey questionnaire to collect data on service quality of business academics*.
- Zikmund, W. G. (2000). *Business Research Methods* (6th edition). USA: Harcourt.
- Zubic, J. & Sims, R. (2011). Examining the link between enforcement activity and corporate compliance by Australian companies and the implications for regulators. *International Journal of Law and Management*, 53(4), 299-308