

www.strategicjournals.com

Volume 4 Issue 2, Article 18

INFLUENCE OF CHANGE MANAGEMENT ON PERFORMANCE ON PUBLIC PROCURING ENTITIES IN KENYA. A CASE OF MINISTRY OF LANDS AND PHYSICAL PLANNING

PATRICK MAKAU MUTETI, DR. MAKORI MORONGE



Vol. 4, Iss. 2 (18), pp 295 - 315, May 15, 2017, www.strategicjournals.com, ©strategic Journals

INFLUENCE OF CHANGE MANAGEMENT ON PERFORMANCE ON PUBLIC PROCURING ENTITIES IN KENYA. A CASE OF MINISTRY OF LANDS AND PHYSICAL PLANNING

¹Patrick Makau Muteti, ²Dr. Makori Moronge

¹Jomo Kenyatta University of Agriculture (JKUAT), Kenya ² Jomo Kenyatta University of Agriculture (JKUAT), Kenya

Accepted: May 11, 2016

ABSTRACT

Regardless of the effort by the governments of developing countries, like Kenya and development partners like World Bank to improve performance of the procurement function, public procurement is still disfigured by substandard works, poor quality goods and services. The general objective of the study was to establish the influence of change management on performance on public procuring entities in Kenya. The study was guided by two specific objectives; To establish the extent to which employee resistance influences performance of public procurement in the Ministry of Lands and Physical Planning in Kenya and to establish how training of employees influences performance of public procurement in the Ministry of Lands and Physical Planning in Kenya. The study used a descriptive survey research design in collecting data from the respondents. The population of this study was the employees and management in the Ministry. This study adopted stratified sampling because the population of interest was heterogeneous in nature. Structured questionnaires were used as the main instruments for collecting primary data. The study established that change management contributed 53.1% of the total variance in the Performance of Public Procurement Entities. Further, the independent variables (Employees Training and Employee Resistance) contributed with a positive coefficient to the model.

Key Words: Employee Resistance, Employees Training, Performance

INTRODUCTION

Public procurement is defined as the purchase of merchandise and contracting of construction works and services if such acquisition is effected with resources from state budgets, local authority budgets, state foundation funds, domestic loans or foreign loans guaranteed by the state, foreign aid as well as revenue received from the economic activity of state. Public procurement thus means procurement by a procuring entity using public funds (World Bank, 1995).

Public procurement must be transacted with other considerations in mind, besides the These considerations include economy. accountability, non-discrimination among potential suppliers and respect for international obligations. It is worth noting that unlike private procurement, public procurement is a business process within a political system and has therefore significant consideration of integrity, accountability, national interest and effectiveness (Wittig, 1998).

Before the introduction of Public Procurement and Disposal Act (2005), the Government of Kenya through the Financial Regulations of 1970, gave the Ministry of finance the overall responsibility of regulating the procurement of goods, works and services (Mose, 2012). Later the government realized that this procurement several deficiencies system had that contributed to huge losses in public funds. The procurement system was noted to lack transparency, accountability and fair competition and change management.

Besides, it was realized that the Procurement personnel were not adequately trained and there was also lack of professionalism amongst them, and there was no professional body to oversee and install discipline among procurement officers (Mose, 2012). The primary focus was to address the issue of procurement laws, establish appropriate procurement Institutions and entities, and create adequate and timely monitoring and evaluation mechanism.

Public Procurement often constitutes the largest domestic market in developing countries. Depending on how it is managed, the public procurement system can thus contribute to the economic development of these countries (PPOA, 2012). Indeed, public procurement is the principal means through which governments meet developmental needs such as the provision of physical infrastructure and the supply of essential medicines (PPOA, 2010). Again, many governments use Public Procurement to support the development of industries, domestic overcome regional economic imbalances, and support minority or disadvantaged communities. Because the deployment of the Public Procurement System to pursue these developmental goals entails governmental exercise of enormous discretion, Public Procurement is often an extremely controversial subject matter (World Bank Group, 2007).

The public procurement system in Kenya has evolved from a crude system with no regulations to an orderly legally regulated procurement system. The Government's Procurement System was originally contained in the Supplies Manual of 1978, which was supplemented by circulars that were issued from time to time by the Treasury (GOK, 2010). The Director of Government Supply Services was responsible for ensuring the proper observance of the provisions of the Manual (GOK, 2004). The Manual created various tender boards for adjudication of tenders and their awards. The Authority shall issue guidelines on the format of procurement documents to be adopted for approvals and the documentation of the procurement procedure (PPOA, 2012).

It is also important to note that, in the past the quality of service delivery in Public entities was wanting. According to the World Bank Group's (2007) country assessment report, the quality of service in the Kenya Public Sector was very low prior to 2003 due to inadequate accountability, change management and responsibility, as well as poor governance. Poor management of the public assets led to an almost total collapse of infrastructure, decline in productivity and an increase in poverty (close to 56 % of the population were living with incomes of less than US\$2 per day) (Kenya National Bureau of Statistics, 2010).

Some public servants would also not attend to their duties diligently and it was common to find members of the public waiting to be served while there was no one in the office. The poor service delivery was also due to unclear direction and non-existent strategic plans. Where plans were present, there was no effective implementation and monitoring system. The lack of accountability was caused by an organizational culture characterized by negative values among staff (Republic of Kenya, 2003a; 2004; 2006).There was relatively low discipline in management and some of the enterprises that were previously successful went into liquidation such as, for example, the Kenya National Assurance and the Kenya Taxis Company, KENATCO (Republic of Kenya, 2005). This was a time that the government needed a turnaround not only to Municipal Councils but the whole system of government. According to Akech (2011) a more coordinated planning, implementation and close monitoring of government procurement was necessary. Around the world, public sector organizations are experiencing an unprecedented pace of

change and as a result, they are rapidly re-

evaluating their operating models and market strategies not just to withstand these market forces, but capitalize on them. Clearly, procurement has a significant role to play in helping the public sector achieve their objectives and prepare for the uncertainty ahead. In part, this will require procurement to focus on driving costs out of the cost base. But the opportunity also exists for the function to add value in a much more strategic way. Thai (2001) describes two types of goals in the procurement system: non procurement goals and procurement goals. Procurement goals are primarily associated with quality, reduction of financial and technical risks, and protection over competition and integrity in the system. Non procurement goals usually involve the economic, social, and political goals within the system.

Procurement essentially encompasses the whole process of acquiring property and or services. It begins when an agency has identified a need and decided on its procurement requirement. Procurement continues through the processes of risk assessment, seeking and evaluating alternative solutions, contract award, delivery of and payment for the property and or services and, where relevant, the ongoing management of a contract and consideration of options related to the contract. Procurement also extends to the ultimate disposal of property at the end of its useful life (Waters 2004). Sound public procurement policies and practices are among the essential elements of good governance (KIPPRA, 2006). Otieno (2004) notes that irregular procurement activities in public institutions provide the biggest loophole through which public resources are misappropriated. Thai (2001) argues that the basic principles of good procurement practice

include accountability, where effective mechanisms must be in place in order to enable procuring entities spend the limited resources carefully, knowing clearly that they are accountable to members of the public; supply, which requires the competitive procurement be carried out by competition unless there are convincing reasons. Change in governance and management is the challenge in process of procuring entities in Kenya. Thus, lack of good leadership and continued change of management are some of the biggest barriers to the procurement within the public sector. To counter this problem, Eadie (2007) points out that change of management need to take place prior to adoption of procuring entities. People need to be appointed and backed with full senior management support in order to affect procurement process.

Statement of the Problem

Public procurement in the public institution may not be a new element to government and organizations, but still it faces a lot of challenges since many citizens do not know the importance of public procurement and how important it is for them to do what they are supposed to do like pay taxes to enable the public procurement. The public procurement is marked with a lot of problems which include regular change management, lack of transparency, political scheming, lack of informed staff and many more (Eadie, 2007). Although the problems facing the public procurement in public institution might seem hard, or difficult the hopes are high for more and more people are getting informed and a lot is being done to correct the problems and make it a success, but the fact is there is still more to be done.

Regardless of the effort by the governments of developing countries, like Kenya and

development partners like World Bank to improve performance of the procurement function, public procurement is still disfigured by substandard works, poor quality goods and services, (David, 2002). Change management has an influence on the procurement functions of most public entities in Kenya (PPDA, 2006). This factor has costly consequences for any public entity, and the country at large. It is in the interest of the researcher that financial performance should not be the only measure to conclude the performance of the procurement function thus vague performances like quality of management and employees, timely change of management, customer contentment, and dependability should all be included. The purpose of this study is to identify Influence of change management on performance on public procuring entities in Kenya.

The overall research problem addressed in this study is that despite an increase in knowledge in the procuring processes in public entities according to Public procurement and Disposal Act (2005), very little has been done to analyze the factors influencing the procuring process in public sector in terms of Tribalism, politics, nepotism, delays, inefficient. fairness. competitiveness, accessibility, transparency, openness, integrity and profitability. Although in 2003, the GOK began implementing reforms to address inefficiency in the use of public resources and weak institutions of governance. The reforms included the development of anti corruption strategies to facilitate the fight against corruption and the enactment of the Public Officer Ethics Act 2003, the Ant-Corruption and Economic Crime Act, the Financial Management Act 2004, and the Public Procurement and Disposal Act 2005. The aim is to make the procurement process more transparent, ensure accountability and reduce wastage of public resources among others.

Currently, there are weak oversights institutions, change management, and lack of linkages transparency, poor between procurements and expenditures, delays and inefficiencies, poor records management, bureaucracy, rampant corruption, Political interests. Bottom-up approach to the development of institutional mechanisms for holding account the domestic to implementation of international regulatory decision-making is also missing hence the need to investigate on the influence of change management in the procuring on performance on public procuring entities in Kenya and provide suggestions to improve the procuring process.

Objectives of the Study

The general objective of the study was to establish the influence of change management on performance on public procuring entities in Kenya. The specific objectives were:

- To establish the extent to which employee resistance influences performance of public procurement in the Ministry of Lands and Physical Planning in Kenya.
- To establish how training of employees influences performance of public procurement in the Ministry of Lands and Physical Planning in Kenya.

LITERATURE REVIEW

Theoretical Review

Contingency Theory

A contingency approach to management is based on the theory that management effectiveness is contingent, or dependent, upon the interplay between the applications of administration behavior. In other words, the

way you manage should change depending on the conditions Eadie (2007). One size does not all. The fit contingency approach to management finds its foundation in the contingency theory of leadership effectiveness developed by management psychologist Fred Fielder.

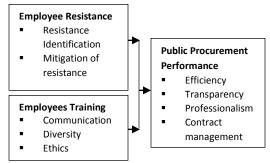
The contingency approach has also played an important part in classification taxonomies for organizational systems. With the recent emphasis on open-systems models, many of these classification frameworks are based directly or indirectly on the nature of the organization's environmental supra-system. Contingency theory is a class of behavioral theory that claims that there is no best way to organize a corporation, to lead a company, or to make decisions. Instead, the optimal course of action is contingent (dependent) upon the internal and external situation. Several approaches contingency were developed concurrently in the late 1960s. Historically, contingency theory has sought to formulate broad generalizations about the formal structures that are typically associated with or best fit the use of different technologies. The perspective originated with the work of Joan Woodward (1958) who argued that technologies directly determine differences in such organizational attributes as span of control, centralization of authority, and the formalization of rules and procedures. Mohsini and Davidson (1986) make use of contingency theory to examine the effects of structure and environment on performance, measured using the concept of conflict. Ireland (1983:25) indicates that he has used contingency theory to identify managerial actions affecting project performance. Kelly and Fleming (1986) and Brandon (1987) have attempted to take this further and build models of the procurement system.

Agency theory

Agency theory attempts to describe the agency relationship, in which the principal delegates work to the agent, who performs that work (Eisenhardt, 1989). Two problems can arise in such relationships, the desires and goals of the principal and agent can conflict, and it is difficult for the principal to verify what the agent actually is doing. Principal-agent researchers are concerned with a general theory of the principal-agent relationship, a theory that can be applied to employeremployee, buyer-supplier and other agency relationships. Agency theory is most relevant in situations in which contracting problems are difficult. These include situations in which there is a substantial goal conflict between principals and agents and sufficient outcome uncertainty to trigger the risk implications of the theory (Eisenhardt, 1989). This may be more the case with procurement in the private sector, where there are fewer regulations than in the public sector, and where tendering is not required. Jones (1995) suggests that long term relationships with vendors may in the long run lead to higher effectiveness, due to the stability of the relationship being dependent on controlling goal conflicts. Sharma (1987) has extended the agency theory and focuses on the principal-professional relationship, where professionals can include consultants (Sharma, 1987). It is not uncommon for public entities to use consulting houses in specifying requirements and even in the procuring phase and the selection of vendor.

Procurement can be viewed as involving at least two parts with different goals, a buyer and one or more vendors competing for the contract. However in addition to the agency relationship between buyer and competing vendors, there may be a number of internal stakeholders possibly with conflicting goals, adding complexity to the procurement process. These groups of internal stakeholders may include IT procurement staff, personnel, user representatives, line managers, financial officers and cost controllers. These may have conflicting interests even though there may not be an agency relationship between them; one common observation is that different user groups in different parts of a business may have conflicting requirements. Agency theory has been influential development of stakeholder theory (Jones, 1995, Hill and Jones, 1992) Flak (2005) has done a thorough literature study of stakeholder theory and discusses the strengths and weaknesses of the theory for theoretical contribution. Jones (op. cit.) defines stakeholders as applying not only to groups easily characterized by words such as customers or employees but also to subgroups of customers and employees for example, shop workers and middle managers who may have distinct and competing interests. This research plans to identify Influence of change management on performance on public procuring entities in Kenya and to what extent this influences the process.

Conceptual Framework





Employee Resistance

Public procurement has, for long, been overshadowed with inefficiency, corruption and disregard of fundamental "value for money" considerations by the employees. Employees may neither engage in, nor give the appearance of engaging in, dishonest or unethical actions. Both are injurious to the public's perception of government. As a government honest employee, you might have access to procurement and other nonpublic information that could affect a contract bid or the award process (Wymer & Regan, 2005). Improper disclosure of such protected information could violate numerous laws, as well as ethics rules. It also could subject you to administrative actions, as well as civil or criminal penalties. Management in contracting authorities should ensure that there is an appropriate focus on good practice in purchasing and, where there is significant procurement function that а procedures are in place to ensure compliance with all relevant guidelines. Officials involved in procurement must not make improper use of their position (Tan et al., 2009). Officials may have access to very confidential or market sensitive information. It is unethical to use inside information provided to the agency as part of procuring process, either for the material benefit of the official or for another person.

According to Wee (2002) ethics are the moral principles or values that guide officials in all aspects of their work. Ethical behaviour encompasses the concepts of honesty, integrity, probity, diligence, fairness, trust, respect and consistency. Ethical behavior includes avoiding conflicts of interest, and not making improper use of an individual's position. Ethical behavior is important in public procurement as it involves the expenditure of public money, and is subject to public scrutiny. Public officials should always behave ethically and fairly, including in their business undertakings. Ethical behavior supports openness and accountability in a procurement process and gives suppliers confidence to participate in the Government marketplace. Ethical behavior can also reduce the cost of managing risks associated with fraud, theft, corruption, and other improper behavior; and enhance confidence in public administration (Wee, 2002).

An important and effective way to maintain ethics awareness in agencies is to provide training for employees (Amos & Weathington, 2008). Ethics training and seminars can be provided, along with training in more specific areas, such as procurement procedures, record keeping, records management, and accountability and administrative law. Regular reviews or audits of procurement processes can be done to ensure probity is being considered and achieved (Amos & Weathington, 2008). Financial malpractices also could occur at any stage of the process and influence decisions on the model of procurement (direct rather than competitive), on the type and volume of procured supplies.

Procurement staff will need training. particularly in how to resolve dilemmas and competing priorities. Useful monitoring and due diligence tools include Supplier Engagement Forums and supplier questionnaires during procuring and at other stages of the relationship such as contract renewal. Public officials should not accept benefits of any kind from a third party which might reasonably be seen to compromise their personal judgment or integrity. According to Thomson and Jackson (2007) the actions of public officials must be above suspicion and not give rise to any actual or potential conflict of interest and their dealings with commercial and other interests should bear the closest possible scrutiny. On contrary Wood (1995) observes that it is not possible to give guidelines for every conceivable situation that may arise but if a doubt arises about a particular situation line management should be consulted. Ethics is all about what is morally right and morally wrong, SO procurement ethics is concerned with what is morally right in procurement as profession. This is very important in procurement management because procurement staffs deal with suppliers represents the whole organization and that will determine the face of the organization towards the suppliers which may create goodwill or destroy it. There are many different perspectives and knowledge domains that are relevant for procurement management. The procuring process requires an innovation expert who is not member of the project team and therefore independent and free from bias who can work with the project manager to diagnose risk. Several authors acknowledge the importance of including experienced coworkers for successful risk management in procurement process (Wade & Bjorkman, 2004). Risk in procurement management is an issue not only for public entities owners but also for potential contractors, where one result of such analysis could abandon procurement.

Training of employees

According to Landale (2006) training is the process of acquiring knowledge and skills by the team who participate in the public procuring process for efficient and effective service delivery. Through training participants acquire new sets of values and attitudes. The appreciation of their inherent but untapped potential and reinforce their self-confidence and sense of autonomy as opposed to dependency (Osborn *et al.*, 2003). For any project to be implemented successfully people

involved must be trained. The training offered must be of quality to ensure effective implementation of procuring process. If this is lacking then the process will be adversely affected (Husband & Bolles, 2007). According to the Public Procurement and Disposal Act 2005 section (7) procurement shall be staffed with procurement professionals whose qualifications have been recognized by the authority. The authority shall facilitate the establishment of an for examination body procurement professionals and shall ensure support for their professional association. This means that learning is knowledge and knowledge is power (Ahmed, Irfan, & Parasuraman, 1994).

Performance of the procurement function

Regardless of the effort by the governments of developing countries, like Kenya and development partners like World Bank to improve performance of the procurement function, public procurement is still marred by change management, poor shoddy works, quality goods and services (David, 2002). Environmental factors such as socio-economic, political, and legal and market environment factors have an influence on the procurement functions of most public entities (PPDA, 2006). These factors have had costly consequences for any public entity, and the country at large. It is in the interest of the researcher that financial performance should not be the only measure to conclude the performance of the procurement function thus intangible performances on the management, quality of procured goods and services, timely delivery of orders, customer satisfaction, dependability, flexibility and quality of employees should all be included.

Procurement encompasses the whole process of acquiring property or services. It begins when an agency has identified a need and decided on its procurement obligation. Procurement continues through the processes of risk assessment, seeking and evaluating alternative solutions, contract award, delivery of and payment for the property or services and, where relevant, the ongoing management of a contract and contemplation of options related to the agreement. Procurement also extends to the ultimate disposal of property at the end of its useful life (Waters, 2004).

Sound public procurement policies and practices are among the essential elements of good governance (KIPPRA, 2006). Otieno (2004) notes the irregular procurement activities in public institutions provide the biggest loophole through which public resources are misappropriated. According to Thai (2001)the basic principles of good procurement practice include accountability, where effective mechanisms must be in place in order to enable procuring entities spend the limited resources carefully, knowing clearly that they are accountable to members of the public; supply, which requires the competitive procurement be carried out by competition unless there are convincing reasons for single sourcing; and consistency, which emphasizes the equal treatment of all bidders irrespective of race, nationality or political affiliation.

Procuring language in Botswana is very similar to that employed by the World Bank. The Botswana Ministry of Finance is the ministry responsible for government procurement of consulting work. Although in the past the rules concerning procurement were very complicated and open to conflicting interpretations, in 2001 these rules were simplified and consolidated under one law: the Public Procurement & Asset Disposal Act (No 10 of 2001). Under this law, the Central Tender Board was renamed the Public Procurement & Asset Disposal Board. The District Tender Boards were reconstituted as Procurement & Asset Disposal Committees operating within the District administrations but answerable to the central PP&ADB in the capital, Gaborone (GOK, 2004). The main aim of the Botswana procurement policy is to ensure that the system is not corrupt. Nevertheless, a system of granting of preferences is permitted in the Botswana tendering system.

As race is downplayed as a factor in Botswana society, such preferences do not depend on race, disability or gender (Jodie, 2004). In Botswana the system of preference is based on whether the consultancy or contracting company is owned by Botswana citizens. Only in the case of disasters or calamities are certain other preferences permitted: Section 66 of the Act makes provision for preferences to be made "specific, disadvantaged to women's communities and regions and areas subject to occasional calamities." The Botswana government draws a distinction between contractors and consultants. In order to qualify preferences, for the consultants and contractors are required to register on separate service provider databases, and to obtain a registration number (World Bank, 2008).

Before being permitted to register as an independent consultant in Botswana, a foreign national must have worked in Botswana for 1 year. Only consultants and contractors who are registered with the PP&ADB are permitted to tender for restricted tenders and national competitive bids. Open competitive bidding is open to all companies, even those without a presence within Botswana. To register with the PP&ADB, Botswana citizens fill in CTB Form No 6, while foreign nationals fill in CTB Form No 7. All government procurements are published in the Botswana Government Gazette, which comes out once a week on Fridays, although lately the gazette has been appearing on Mondays. All IT procurements are advertised on the Botswana government website as well. Government tenders are also published in the local Botswana newspapers (Jodie, 2004).

The law guiding Kenyan Public entities choice of Procurement Procedures in the Public Procurement and Disposal Act 2005 (PPOA, 2005) requires Public entities to use open procurement as the choice of procuring procedures and only use an alternative procurement procedure in times of urgent need (Jodie, 2004). The Act of parliament came into operation on 1st January, 2007 after years of misuse of Public funds by procurement entities. It aims to maximize economy and efficiency to promote Integrity and fairness of procurement procedures, to increase transparency, and accountability and to increase public confidence in public procedures (Public Procurement and Disposal Act 2005).

In Beijing, according to the new circular strengthening the bidding and procuring process dated

17th January, 2012, the establishment of fair, competitive and transparent bidding and procuring process is essential for market oriented reforms. Especially for the construction Industry (Beijing Regulation No 12 of 2011).

In Kenya, the procurement systems had other institutional weaknesses that not only undermined its capacity for carrying out their mandates effectively but also led to a public perception that the public sector was not getting maximum value for money spent on procurement. In 1990s, Lewa (2007) indicates that there was a concern among Kenya's development partners, civil society, and the citizenry about the need to have a sound legislative and institutional framework to govern the public procurement sector in Kenya. Towards the end of 1990s, enactment of legal institution frameworks which were and

necessary to streamline the management of public procurement sector in Kenya was a condition for development assistance from western countries, the World Bank and International Monetary Fund. The delay by the then KANU regime to enact a sound legal framework to guide the management of public procurement resulted in the suspension of aid to the country in 2000 by western countries, World Bank and International Monetary Fund. According to Odhiambo and Kamau (2003) Kenya's development partners in the west argued that the absence of a sound public procurement law was responsible for runaway corruption in the sector.

RESEARCH METHODOLOGY

The study used a descriptive survey research design in collecting data from the respondents. Target population of this study was the employees and management in the Ministry of Lands and Physical Planning. This study used 30% of the target population as advised by Mugenda & Mugenda (2003). Therefore, the researcher calculated 30% from each department in the ministry. The study used questionnaires as the structured main instruments for collecting primary data from respondents and in some instances document analysis was used as source of secondary data. The research met the top level management to affirm their intention on carrying out the study in the ministry and to clarify the significant of the study and the commitment required from the management. During the second phase, the researcher briefed the respondents before data collection. Questionnaire items were validated through expert opinions and pre-testing. The results of the pilot study were used to refine the measuring instruments by removing redundancies and inconsistencies in the instruments after testing its validity. Data

collected was first edited, formatted and organized for coding into the Statistical Package for Social Sciences (SPSS) data viable table. Multiple Linear Regression Analysis was used to estimate the relationship between the dependent and independent variables, and provided a means of objectivity in assessing the degree and nature of the relationship between the dependent and independent variables.

DATA PRESENTATION AND DISCUSSION

The study issued 92 questionnaires to the respondents for filling out of which 77 were duly filled and returned. This made a response rate of 83.7% which was considered excellent for analysis to proceed. The study sought to find the ages of the respondents. From the findings 28.8% of the respondents were 18-25 years old, a majority (31.8%) were 26-35 years, another 28.8% were 36-45 years old while 10.6% were 46-55 years. The study sought to find out the level of education of the respondents. A majority (49.3%) of the respondents had a **Table 1: Factor Analysis on Employee Resistance**

Component Matrix^a

Bachelor's degree, 28.8% had a Master's degree, 16.4% had a Diploma level of education and 5.5% had PhD level of educational qualification. The respondents were asked the duration they had been employed by the ministry. The findings indicated that 48.7% had been in the ministry for between 0-5 years, 31.6% had been for between 6-10 years, and 19.7% had worked with the ministry for over years. Therefore, the data collected from this respondent was highly reliable considering that they had acquired necessary experiences required to respond to the research instruments.

Factor Analysis on Employee Resistance

Factor analysis was carried out on employee resistance and the findings were summarized in Table 1 below. The principal component matrix table shows that, all the items experienced a factor loading above the threshold of .4. Therefore, none of the items was dropped from the research analysis.

	Component
	1
Change in my organization needs to be well timed	.876
I believe most employees resist change because of the way it is communicated to them	.871
I fear change because it might be harmful to my position organization in the organization	.860
Change makes me feel powerless and confused	.856
I already know all that I need to know to do my current job. Change would only result in me looking incompetent	.823
Changes result in roles being eliminated or reduced	.803

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Factor Analysis on Training of Employees

Factor analysis was carried out on the independent variable (Training of Employees)

and the findings were summarized in Table 2. The principal component matrix table showed that, all the items experienced a factor loading above the threshold of .4. Therefore, none of

of Employees) was dropped from the analysis.

the items in the independent variable (Training

Table 2: Factor Analysis on independent variable (Training of Employees)

Component Matrix^a

	Component
-	1
Training employees helps maintain their visibility and encourage their feeling of belonging	.811
Training managers will make them ready to support their teams as they adjust to change	.807
Training promotes employee engagement in the change process	.751
Training managers will make them learn new ways of doing things while feeling secure in the process	.747
Employee training increases the rate of change management success and procurement performance	.703
Extraction Method: Principal Component Analysis.	

a. 1 components extracted.

Factor analysis was carried out on the dependent variable (Performance of Public Procurement Entities) and the findings were summarized in Table 3. The principal

component matrix table shows that, all the items had a factor loading above the required threshold of .4. Therefore, none of the items in the dependent variable (Performance of Public Procurement Entities) was dropped from the data analysis.

Table 3: Factor Analysis on dependent variable (Performance of Public Procurement Entities)

Component Matrix^a

Component	
1	
961	
100.	
051	
100.	
90F	
CU8.	
705	
.785	
-	•

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Descriptive statistics for Employee Resistance The study sought to find out the descriptive statistics for the Employee Resistance. The findings were summarized in Table 4. From the table, a majority (43.5%) of the respondents agreed changes result in roles being eliminated

Factor Analysis on Performance of Public Procurement Entities

or reduced, while 36.3% agreed that they fear change because it might be harmful to their positions in their organizations. A majority (50.8%) agreed that they believe most employees resist change because of the way it is communicated to them, 38.7% agreed that change makes them feel powerless and confused, 49.2% agreed that they already know all that they need to know to do their current job and therefore, change would only result in them looking incompetent, while a majority (37.9%) agreed that change in their organization needs to be well timed.

· · · · · ·	Strongly	· .		- <u> </u>	Strongly
	disagree	Disagree	Neutral	Agree	disagree
Changes result in roles being eliminated or reduced	11.3%	7.3%	12.9%	43.5%	25.0%
I fear change because it might be harmful to my position organization in the organization	0.8%	8.1%	31.5%	36.3%	23.4%
I believe most employees resist change because of the way it is communicated to them	6.5%	4.0%	22.6%	50.8%	16.1%
Change makes me feel powerless and confused I already know all that I need to know to do my	0.0%	9.7%	37.9%	38.7%	13.7%
current job. Change would only result in me looking incompetent	7.3%	4.0%	21.8%	49.2%	17.7%
Change in my organization needs to be well timed	6.5%	1.6%	22.6%	37.9%	31.5%

The study sought to find out if the respondents had been involved in a situation that they resisted change in their working environment. The findings showed that 68.75% agreed affirmatively while 31.25% said they had not. The study further sought explanations as to why the respondents resisted change in their organizations. Some of the respondents cited lack of any reward such as money or promotion accompanying change while others cited pressure from their colleagues.

The study enquired other reasons that would make the respondents resist change introduced by the management. Some of the reasons stated were fear of uncertainties introduced by change, lack of adequate skills to deal with changes introduced, the manner in which the change is introduced to the employees, well other respondents mentioned the timing at which change is introduced.

The study findings confirmed the argument of (Carnall, 1999) that people differ with regard to their perception towards change; some of them may consider change with a lower tolerance. Burke (2008) observed that, some organizational members embraced change initiatives readily and moved on with it while others fought the change to the death with denying its necessity.

Descriptive statistics of Training of Employees

The study sought to find out the descriptive statistics of the independent variable (Training of Employees). The study findings were presented in Table 5. A majority (50.8%) of the respondents strongly agreed that employee training increases the rate of change management success and procurement performance, 48.4% agreed that training promotes employee engagement in the change process, 50.8% agreed that training employees helps maintain their visibility and encourage their feeling of belonging, 49.2% agreed that training managers would make them ready to support their teams as they adjust to change, 44.4% agreed that training managers will make them learn new ways of doing things while feeling secure in the process.

	Strongly				Strongly
	disagree	Disagree	Neutral	Agree	disagree
Employee training increases the rate of		· · · ·			
change management success and	0.0%	4.8%	15.3%	29.0%	50.8%
procurement performance					
Training promotes employee engagement	0.0%	4.8%	13.7%	48.4%	33.1%
in the change process	0.0%	4.0/0	13.770	40.470	55.170
Training employees helps maintain their					
visibility and encourage their feeling of	1.6%	3.2%	16.9%	50.8%	27.4%
belonging					
Training managers will make them ready to					
support their teams as they adjust to	2.4%	5.6%	24.2%	49.2%	18.5%
change					
Training managers will make them learn					
new ways of doing things while feeling	0.0%	6.5%	21.0%	44.4%	28.2%
secure in the process					

The study further sought to establish whether employees in their organization undergo training on change management. A majority (74.4%) said they did not while 25.6% said they did undergo training on change management. Of those who said yes, the study enquired to find out some of the areas that the training covered. The respondents cited identification of their points of resistance, creating of proactive strategies for overcoming their own resistance, and becoming confident and feeling empowered in the change process rather than feeling victimized by it.

The findings in this study indicated that training employees on change management was key component to the success of change management in an organization. Among key findings was whereby a majority (50.8%) of the respondents strongly agreed that employee training increased the rate of change management success and procurement performance, while a majority of 48.4% agreed that training promoted employee engagement in the change process. The findings confirmed those of Omitto (2013) who observed that when an organization asked people to perform new functions, it should help them establish and develop the necessary competencies by providing appropriate training. Without adequate training, change efforts may fail. The findings are further in line with Kandt (2002) who states that to achieve a successful change, a change plan must rigorously identify the objectives and milestones of the change, the impact of change on the workforce, the cultural climate, the barriers to change, methods for

overcoming them, the probability of overcoming them, the communications approach, and the required training needs.

Descriptive statistics of Performance of Public Procurement Entities

The findings were summarized in Table 6. From the table, 51.6% of the respondents strongly agreed that there is high level of transparency, integrity, ethics honesty, decency, trustworthiness which had led to better performance, 43.5% agreed that there was improved transparency and accountability when awarding of tenders to vendors, 38.7% strongly agreed that Public Procurement Entities had competent personnel to execute the implementation of public procurement, 36.3% agreed that magnitude of corruption had reduced significantly in Public Procurement Entities.

Table 6: Descriptive statistics of Performance of Public Procurement Entities

	Strongly	Strongly		·	Strongly	
	disagree	Disagree	Neutral	Agree	disagree	
There is high level of transparency, integrity,						
ethics honesty, decency, trustworthiness which	0.8%	9.7%	13.7%	24.2%	51.6%	
have led to better performance						
There improved transparency and accountability	6.5%	4.0%	21.8%	43.5%	24.2%	
when awarding of tenders to vendors						
Public Procurement Entities have competent						
personnel to execute the implementation of	6.5%	3.2%	16.1%	35.5%	38.7%	
public procurement						
The magnitude of corruption has reduced	16 10/	16.9%	17 10/	36.3%	10 50/	
significantly in Public Procurement Entities	16.1%	10.9%	12.1%	30.3%	18.5%	

SUMMARY, CONCLUSION AND RECOMMENDATIONS

On whether employee resistance influenced performance of public procurement in the ministry of lands in Kenya, the study established that a majority (43.5%) of the respondents agreed changes result in roles being eliminated or reduced, while 36.3% agreed that they fear change because it might be harmful to their positions in their organizations. A majority (50.8%) agreed that they believe most employees resist change because of the way it is communicated to them, 38.7% agreed that change makes them feel powerless and confused, 49.2% agreed that they already know all that they need to know to do their current job and therefore, change would only result in them looking incompetent, while a majority (37.9%) agreed that change in their organization needs to be well timed. The researcher further found that 68.75% agreed affirmatively while 31.25% said they had not been involved in a situation that they resisted change in their working environment. The study further found that some of the respondents resisted change in their organizations due to lack of any reward such as money or promotion accompanying change while others cited pressure from their colleagues. Other reasons stated for the respondents resistance to change introduced by the management included fear of uncertainties introduced by change, lack of adequate skills to deal with changes introduced, the manner in which the change is introduced to the employees, well other respondents mentioned the timing at which change is introduced.

On how training of employees influenced performance of public procurement in the ministry of lands in Kenya, the study findings revealed that a majority (50.8%) of the respondents strongly agreed that employee training increases the rate of change management success and procurement performance, 48.4% agreed that training promotes employee engagement in the change process, 50.8% agreed that training employees helps maintain their visibility and encourage their feeling of belonging, 49.2% agreed that training managers will make them ready to support their teams as they adjust to change, 44.4% agreed that training managers will make them learn new ways of doing things while feeling secure in the process. The study further established that a majority (74.4%) said employees in their organization did not undergo training on change management while 25.6% said they did undergo training on change management. Of those who said yes, the study enquired to find out some of the areas that the The respondents training covers. cited identification of their points of resistance, creating of proactive strategies for overcoming their own resistance, and becoming confident and feeling empowered in the change process rather than feeling victimized by it.

Conclusions of the Study

On the extent to which employee resistance influenced performance of public procurement in the ministry of lands in Kenya, the study concluded that resistance to change sometimes was due to lack of any reward such as money or promotion accompanying change, as well as pressure from colleagues/workmates. Other reasons stated included fear of uncertainties introduced by change, lack of adequate skills to deal with changes introduced the manner in which the change is introduced to the employees, as well as the timing at which change is introduced. This confirmed the argument of (Carnall, 1999) that people differ with regard to their perception towards change; some of them may consider change with a lower tolerance. Burke (2008) observed that, some organizational members embrace change initiatives readily and move on with it while others fight the change to the death with denying its necessity. Burke (2008) adds that, sometimes people resist the imposition of change and that is accepted as a universal truth while Kreitner and Kinicki (2010) aver that, resistance to change can be passive resignation or deliberate sabotage.

On how training of employees influences performance of public procurement in the ministry of lands in Kenya, the findings in this study lead the researcher to conclude that training employees on change management was a key component to the success of change management in an organization. The study further concluded that employee training increased the rate of change management success and procurement performance and that training promoted employee engagement in the change process. This was in line the observations of Omitto (2013) that when an organization asks people to perform new functions, it should help them establish and develop the necessary competencies by providing appropriate training. Without adequate training, change efforts may fail. The findings were further in line with Kandt (2002) who states that to achieve a successful change, a change plan must rigorously identify the objectives and milestones of the change, the impact of change on the workforce, the cultural climate, the barriers to change, methods for overcoming them, the probability of overcoming them, the communications approach, and the required training needs.

Recommendations of the Study

The study recommended that the ministry be guided by some of the reasons cited in this study for resistance to change by employees implement measures that will encourage employees to take up change whenever it is implemented. This includes taking employees for a training so as to ensure that they have requisite skills for the changes being implemented by the ministry.

Recommendations for further studies

The study sought to establish the influence of change management on performance on public procuring entities in Kenya, a case of the Ministry of Lands and Physical Planning. A similar study can be carried out in other ministries or other sectors of the economy. A study can also be carried out using different objectives from the ones used in this study.

REFERENCES

Kasomo, D. (2006). Research Methods. Egerton: Egerton University Press.

Cooper & Schindler. (2011). Business Research Methods. India: McGraw-hill.

Oso, W. Y. & Onen, D. (2011). A general guide to writing research proposal and report; Handbook for beginning researchers. Nairobi. Jomo Kenyatta Foundation Wesley Longman.

Kombo, D. K., & Tromp, D, L. (2011). Proposal and thesis writing; An introduction.

Kombo, D. K., & Tromp, D. L. (2006). Proposal and thesis writing: An introduction. *Nairobi: Paulines Publications Africa*, 10-45.

Bryman, A., & Bell, E. (2003). Business research methods. Oxford, UK: Oxford University

Gall, M. D., Gall, J. P., & Borg, W. R. (2007). *Educational research: An introduction*. Boston: Pearson Education.

Gall, M. D., Gall, J. P., & Borg, W. R. (2007). *Educational research: An introduction*. Boston: Pearson Education.

Dillman, D. A., Smyth, J. D., & Christian, L. M. (2014). Internet, Phone, Mail, and Mixed-Mode Surveys: The Tailored Design Method.

Mugenda, O. M., & Mugenda, A. G. (2012). Research methods dictionary.

Mugenda, O., & Mugenda, A. (2003). *Research Methods: Quantitative and Qualitative Approaches*. Nairobi: Acts Press.

McMillan J.H. and Schumacher, S. (2001). Research in education; 5th Ed. London Addison.

311 | The Strategic Journal of Business & Change Management. ISSN 2312-9492(Online) 2414-8970(Print).www.strategicjournals.com

Hargie, O., & Tourish, D. (Eds.). (2009). Auditing organizational communication: A handbook of research, theory and practice. Routledge.

Fishbein, M., & Ajzen, I. (2011). *Predicting and changing behavior: The reasoned action approach*. Taylor & Francis.

Zikmund, W. G. (2003). Business research methods. Mason, OH: Thomson/South-Western.

Zikmund, W., Babin, B., Carr, J., & Griffin, M. (2012). Business research methods. Cengage Learning.

Kurpius, S. E. R., & Stafford, M. E. (2006). *Testing and measurement: A user-friendly guide*. Thousand Oaks: Sage Publications.

Cronbach, L. J. (1951). Coefficient alpha and the internal structure of tests. *Psychometrika*, 16(3), 297-334.

Cohen, J., Cohen, P., West, S. G., & Aiken, L. S. (2013). *Applied multiple regression/correlation analysis for the behavioral sciences*. Routledge.

Ahmed, Irfan, and Parasuraman, A. (1994). *Environmental and positional antecedents* of

Management commitment to service quality: A conceptual framework. In Advances in services marketing and management, vol. 3, ed. Greenwich, CT: JAI.

Akech, J. M. M. (2005). Development partners and governance of public procurement in Kenya:

Enhancing democracy in the administration of aid. International law and politics, 37(4), 829-868.

Akech, M. (2011). Development Partners and Governance of Public Procurement in Kenya:

Enhancing Democracy in the Administration of Aid. Faculty of Law, University of Nairobi:Kenya.

Akintoge, S. (2000). *Procumbent Methods and Its Effect in Organization Performance*. London: publishers.

Atieno. Y.A. (2009). Corporate governance problems facing Kenyan parastatals: A Case study of the sugar industry.

Bukhala, S. (2003) "Use of strategic approach to procurement of goods and services in Kenyan

Public Universities". Unpublished MBA project, Egerton University, Nakuru: Kenya.

Closs, David J. (2000), "Preface," Journal of Business Logistics, Vol. 21, No. 1, p. i.

David, H. (2002, August 15). *British Airways Flies Towards \$996 Million Savings Goal.* Retrieved April 7, 2008, from Purchasing web site: <u>http://www.purchasing.com</u>

Dreyfus, Hubert L. and Stuart E. Dreyfus (1986), Mind over Machine, London: Basil Blackwell.

Eadie R. (2007). Drivers and Barriers to Public Sector e-procurement within Northern Ireland's Construction Industry, ITcon Journal, Vol. 12, pp. 103-120.

Energy Group (2002). *The Bujagali Power Purchase Agreement*: an Independent Review. Berkeley, CA: International Rivers Network.

Government of Kenya (2006). *Public Procurement and Disposal Regulation*. Legal Notice No.51. Nairobi: Government Press.

Hartzenberg, J. S. (2002). *The implementation of career management practices in the South African public service* (Doctoral dissertation, University of Pretoria).

Herzberg, F. (1996), *Work and the Nature of Man*, World Publishing, Cleveland, OH,<u>http://www.volunteeringaustralia.org/files/K49QAOHMCS/Work%20effectively%20w%20cultu</u>

Jodie, E. (2004). Work effectively with culturally diverse clients and co-worker.

Jones, D. S. (2007). Public Procurement in Southeast Asia: Challenge and Reform. *Journal of Public Procurement*, 7(1), 3-33.

Kenya National Bureau of Statistics. (2010). Economic Development Plan 2010.

Kippra, (2006). *Public procurement policy in Kenya*: The need for a coherent policy framework. Policy brief no. 3/2006

Kombo, D. K., & Tromp, D, L. (2011). *Proposal and thesis writing; An introduction.*

Kombo, D. K., & Tromp, D. L. (2006). Proposal and thesis writing: An introduction. *Nairobi: Paulines Publications Africa*, 10-45.

Leenders, M.R., Johnson, F.P., Flynn, A.E., & Fearson, H. (2008). *Purchasing and Supply Chain Management*, (13th Ed)., New York: NY McGraw Hill.

Mose, P.N (2012). *An Assessment Of The Extent Of Compliance With Public Procurement And Disposal*. Egerton University: Kenya.

Mugenda, O. M., & Mugenda, A. G. (2003). *Research methods:* Quantitative and qualitative approaches. Nairobi: Acts Press.

Mugenda.M.O and Mugenda. G.A. (2012). *Research Methods, Qualitative and Quantitative Approaches,* ACTS press.

Musuga, B.A. & Namusonge, G. (2013). Medical products demand and supply stability as a factor influencing implementation of JIT supply chain management policies. A case study of the Ministry of

Public Health and Sanitation in Kenya: Proceedings of 1st JKUAT Research Conference, 12th and 13th September. Nairobi:Government Press.

Odhiambo, W. & Kamau, P. (2003). Public Procurement: Lessons from Kenya, Tanzania and Uganda. OECD Working Paper NO.208. OECD Development Centre.

Otieno (2004). *Procurement activities in public institutions*. Unpublished thesis. Jomo Kenyatta University of Science and Technology: Kenya.

PPDA. (2007). *Discussion Paper on Amendment to the Act.* Kampala: Procurement and Disposal

Compliance Check Report of National Social Security Fund. Kampala: PPDA. Public Procurement and Disposal of Public Assets Authority.

PPOA. (2005). Public Procurement and Disposal ACT 2005. Retrieved from http://www.ppoa.go.ke/

Republic of Kenya. (2004). *Guidelines on pilot testing of performance contracting for the enterprises in the pilot*. Nairobi, Government Press.

Republic of Kenya. (2005). *Guidelines on performance contracting in the Public Service*. Nairobi, Government Press.

Republic of Kenya. (2005a). Anti-Corruption & Economics Crimes Act. Nairobi, Government Press.

Republic of Kenya. (2005b). Public Officer Ethics Act. Nairobi, Government Press.

Republic of Kenya. (2006). *Performance evaluation of the public sector*. Public Sector Reform Secretariat. Nairobi, Government Press.

Savage, G., Dunkin, J. & Ford, D. (2004). "Responding to a crisis: a stakeholder analysis of community health organizations", Journal of Health and Human Services Administration, 6(4), 383-414.

Segal and Summers, A. (2002). *Improving transparency in pharmaceutical systems:* strengthening critical decision points against corruption. Washington, DC:

Sharma, S. (2003). A Contingent Resource-Based View of Proactive Corporate Environmental Strategy. *Academy of Management Review*, 28(1), 71-88.

Sheffi, Y. and Klaus, P. (1997). "Logistics at Large: Jumping the Barriers of the Logistics Function," James

M. Masters, ed., Proceedings of the Twenty-Sixth Annual Transportation and Logistics Educators Conference, Council of Logistics Management, pp. 1-26.

Thai, K. V. (2004). Introduction to Public Procurement, (5th edition). Florida Atlantic University.

Thai, K.V. (2001). "Public procurement re-examined", *Journal of Public Procurement, Vol. 1* No.1, pp.9-50.

314 | The Strategic Journal of Business & Change Management. ISSN 2312-9492(Online) 2414-8970(Print).www.strategicjournals.com

Thai, K.V. (2002). *Public Procurement: International Case and Commentary*, London: Routledge.

Thai, K.V. (2007). Benchmarking Process. Advancing Public Procurement: Practices, Innovation and Knowledge Sharing. New Dheli: Tata McGraw-Hill Publishing Company Itd.

Thomson, J., Jackson, T. (2007). "Sustainable procurement in practice: lessons from local government", *Journal of Environmental Planning & Management, Vol. 50* No.3, pp.421-44.

Van Weele, A.J. (2010). "Purchasing and Supply Chain Management: Analysis, Strategy, Planning and Practice", (5th Ed). London: Thomson Learning.

Waters D. (2004). Introduction To Supply Chain Management, (2rd Edition). Pal grave Macmillan, Britain.

Witt, Clyde E. (1999). "Needed: Skills in Warehousing," *Material Handling Engineering*, August, pp. 39-42 Public Procurement Oversight Authority (2007) *Assessment of the Procurement System in Kenya*. Nairobi: PPOA

Wittig, W.A. (1998). *Report of the Conference on Public Procurement Reform Conference in Africa, Côte d'Ivoire,* 30 November-4 December 1998, International Trade Centre, Geneva.

World Bank (1995). "Guidelines: Procurement under IBRD Loans and IDA Credits", World Bank: Washington D.C.

World Bank (2003). *World Development Report 2003: Equity and Development*, Oxford University Press, New York, NY.

World Bank (2007). *World Development Report 2007: Development and the Next Generation*, Oxford University Press, New York, NY.

World Bank Group. (2007). *Governance, growth for a prosperous Kenya: Country Assistance Strategy Progress Report -2004-2008.* Washington DC, World Bank.

World Bank, (2003). World Development Report 2003: *Equity and Development*. Oxford University Press, New York.

World Bank. (2008). *Public Sector Reform: What works and what doesn't? An Independent Evaluation Group Evaluation of the World Bank.* Washington DC. World Bank.

Jaggi, S. (2003). Descriptive statistics and exploratory data analysis. *Indian Agricultural Statistics Research Institute*, 1-18.

Omitto, O. A. (2013). *Employee perception of change management practices at Kenya Commercial Bank Nairobi County* (Doctoral dissertation, University of Nairobi).

Melchor, O. H. (2008). Managing change in OECD governments: An introductory framework. *OECD Working Papers on Public Governance*, (12), 0_1.