



ROLE OF PUBLIC PROCUREMENT AND ASSET DISPOSAL ACT (2015) ON SERVICE DELIVERY IN COUNTY GOVERNMENTS OF KENYA

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ABSTRACT

The purpose of this study was to examine the role of Public Procurement and Asset Disposal Act (2015) on service delivery in county governments in Kenya. The study was anchored on Normalization Process Theory, Institutional Theory and Legitimacy Theory. The target population was 400 procurement related staff sampled from eight out of the forty seven counties in Kenya namely; Kiambu, Mombasa, Machakos, Nairobi, Garissa, Kisumu, Bomet and Kakamega. The sample size was 200. The sample size was determined by the use of Slovins Formulae and stratified random sampling was used. A descriptive research design was adopted. Data was collected through questionnaires and analysed descriptively and inferentially using regression analysis. Data presentation was done through tables and figures. According to the regression analysis the variation of the independent variables explained 80.70% variation in the service delivery. This implied that these variables were very significant and they therefore needed to be considered in any effort to boost service delivery in the county governments of Kenya. The study therefore identified variables as critical elements of PPDA (2015) which affect service delivery in the county governments of Kenya. The study recommended for a well formulated disposal committee to offer advisory advice on the ways to reduce costs. They should verify the disposal recommendations to the satisfaction of our customers. The study recommended that there was need to have a notification of a review and the tender notified as determined by the review board. The review board should complete its review within the stipulated period after receiving the request for the review in the county governments of Kenya in order to enhance service delivery.

Key Words: *Planning, Procurement Process, Assets Disposal, Contract Management, Service Delivery*

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INTRODUCTION

Developments which have been witnessed across various state ministries through new regulations enacted by parliament. Due to high level of mismanagement of public funds and corruption, tremendous changes have taken place in Kenya intended to increase public confidence on expenditure of state resources. It is through these challenges the Public Procurement and Disposal Act, 2015 (PPDA, 2015) came into force and replaced PPDA 2005. The PPDA, 2015 guidelines are adopted by state owned corporations and generally provide provisions that guide the process of inventory management, asset management, contract performance and disposal of assets. The initiatives of the PPAD 2015 involve two-stage tendering, design competition, electronic reverse auction; force account, competitive negotiations and framework agreements (Transparency International, 2015). PPOA (2016) clearly articulates that PPAD Act is purely enacted by provisions of Parliament which are described under Article 227. It spells out guidelines of sourcing goods and services for public entities.

In Africa, public procurement has important economic and political implications. Ensuring that the process is economical and efficient is crucial (Aine, 2012). This requires in part that the whole process is well understood by all the stakeholders including the government, the procuring entities, the business community/suppliers, professional associations, academic entities and the general public. Unfortunately, for most developing countries, this is not the case. Although several developing countries have taken steps to reform their public procurement systems, the process is still grounded in secrecy, inefficiency, and corruption and undercutting of costs leading to wastage of huge amounts resources (Cummings & Qiao, 2013).

The public procurement system in Kenya has undergone significant developments. 'From a system with no regulations in the 1960s, and a system

regulated by Treasury Circulars in the 1970s, 1980s, 1990s, up to 2001.'Legal Notice No. 51; The Exchequer and Audit (Public Procurement) Regulations, 2001 dated 30th March, and amendments 2002.'The enactment of the Public Procurement and Disposal Act (PPDA) of 2005 and the Regulations of 2006. 'PPDA of 2005 was repealed and replaced with PPADA 2015 which became operational on 7thJan. 2016. The Public Procurement and Assets Disposal Act 2015 give effect to article 227 of the Constitution of Kenya on efficiency and define the roles of regulatory bodies (PPADA, 2015). The Act provides guiding principles for Public Procurement and Asset Disposal for state organs and public entities. The principles are based on values and principles of the Constitution. These include maximization of value for money and incorporation of local content.

Service delivery is an essential function in the relationship between government and citizens (Abe & Monisola, 2014). Government performance is measured service delivery to the people (Eigema, 2007). Improving service delivery through increased accountability has been a significant implicit motivation behind the trend towards decentralization in developing countries (Hasnain, 2010). The standard theoretical argument for the transfer of responsibilities to lower tier of the government is that the closer proximity of local policymakers to citizens increases the flow of information and better enables the public to monitor, and to hold to account, government officials. Conversely, elected local policy makers, responding to this greater citizen vigilance, focus on improving service delivery in order to get re-elected (Hasnain, 2016).

Statement of the Problem

The Public Procurement and Asset Disposal Act (PPADA), 2015 and the Public Procurement and Disposal Regulations (PPDR), 2006 outline clear guidelines on how public procurement should be handled with the objective of giving value for money.

The Government of Kenya through the Ministry of Devolution and Planning in its 11th edition performance contracting guidelines for the financial year 2014-2015 set inventory management as a performance indicator for all the ministries.

However, despite the development of a Public Procurement and Asset Disposal Act (PPADA), 2015, county governments are still experiencing challenges related to service delivery. For example a report by Mercer Human Consulting (2016) service delivery in county governments was poor in the last two years. Transparency International (2014) also indicated that over 53 % of citizens were dissatisfied with service delivery of county governments in Kenya. Further, A report by the Transparency International (2014), noted that in Kenya despite adoption of Procurement and Asset Disposal Act (PPADA), 2015, the service delivery of the county governments is wanting. Similarly, Centre for Governance Development (2015) contended that as a result of procurement related problems, the county governments of Kenya have been dogged with many intricate challenges that have negatively impacted on service delivery. According to the auditor general report (2016), despite PPADA (2015) being well implemented in the county governments in Kenya, the service delivery in the county governments is wanting.

The above scenario brings an interesting contradiction between the ideal situation and real situation on the ground. It is interesting to note that there is contradicting empirical evidence between PPADA (2015) and service delivery posing a gap that requires to be empirically bridged. Further, on the contrary, the impact of PPADA(2015) on service delivery in county governments in Kenya has not received much attention in empirical research in Kenya. For example, not much has been done on the PPADA(2015)-county governments service delivery link in a single study especially in the Kenyan context. It is on this premise the current study seeks to re-

examine the relationship between PPADA(2015) and service delivery in county governments in Kenya.

Objectives of the Study

The purpose of this study is to examine the role of Public Procurement and Asset Disposal Act (2015) on service delivery in county governments in Kenya. The study pursued the following specific objectives;

- To assess role of procurement planning on service delivery in county governments in Kenya
- To examine role of procurement process on service delivery in county governments in Kenya
- To determine role of disposal of assets on service delivery in county governments in Kenya
- To find out role of contract management on service delivery in county governments in Kenya

LITERATURE REVIEW

Normalization Process Theory (NPT)

This study was based on Normalization Process Theory (NPT) as argued by May et al (2007). The theory provides a set of sociological tools to understand and explain the processes through which new or modified practices of thinking, enacting, and organizing work are operationalized in institutional settings. In particular, the theory is concerned with three core problems: Implementation, by which we mean the organization of bringing a practice or practices into action.; Embedding, by which we mean the processes through which a practice or practices become, (or do not become), routinely incorporated in everyday work of individuals and groups.

Institutional Theory

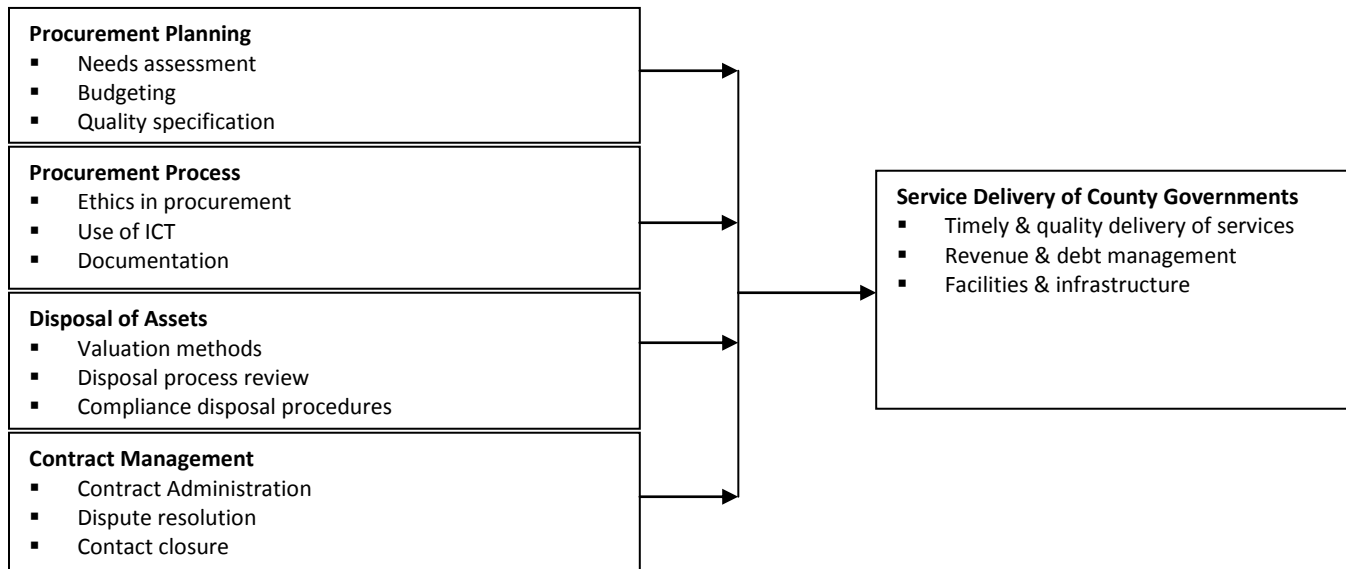
Institutional theory was developed by Hall in 1986 and adopts a sociological perspective to explain organizational structures and behavior (Scott, 2004). It draws attention to the social and cultural factors that influence organizational decision-making and in particular how rationalized activities are adopted by organizations (Hennart, 2015). The institutional theory is the traditional approach that is used to examine elements of public procurement. Scott

(2004) identifies three pillars of institutions as regulatory, normative and cultural cognitive. The regulatory pillar emphasizes the use of rules, laws and sanctions as enforcement mechanism, with expedience as basis for compliance. The normative pillar refers to norms and values with social obligation as the basis of compliance.

Legitimacy Theory

The legitimacy theory states that the organization has the mandate to state its activities to the stakeholders,

more specifically to the public and state the benefits the society will get from it (Wilmshurst &Frost, 1987). Lindblom (2013) contended that state is there when an organization’s value system are in line with the value system of the society that the organization exists to offer. Legitimacy is a perception that the organization are acceptable in the constructed system of behavior in the society that it exists in Suchman (2015).



Independent Variable

Dependent Variable

Figure 1: Conceptual Framework

Empirical Review

Jackson and Ombui (2018) sought to assess the effect of procurement planning on service delivery in state corporations in Kenya: a case of Kenya Agricultural and Livestock Research Organization. Based on the study findings, the study concluded that procurement planning had a positive and significant effect on service delivery in state corporations in Kenya. The study also concluded that procurement portfolio and service delivery were positively and significantly related. Further, the study concluded that procurement policies and procedures and service delivery were positively and significantly related. In

addition, the study concluded that logistics management and service delivery were positively and significantly related. Finally, the study concluded that procurement budgeting procedures and service delivery were positively and significantly related.

Metobo (2016) sought to examine the relationship between procurement planning practices and institutional service delivery in state corporations. It was guided by four objectives: to determine the effect of Proper Need Assessment on institution’s service delivery; to determine the effect of Procurement Cost Estimation on institution’s service delivery; to determine the effect of Quality

Specification of goods on institution's service delivery and; to determine the effect of risk management in procurement planning on service delivery. The findings of the study reveal that procurement planning practices affect service delivery in state corporations.

Susan and Namusonge (2014) carried out a study on factors affecting the Rate of Disposal of Assets in Public Sector Organizations focusing on Yatta Sub-County- Kenya. The study adopted a census was carried out on all the 28 Government Departments whereby 60 employees who were considered to have relevant information to the study were taken as the respondents. Questionnaires, interview guide and observation schedule were used to collect data. The findings of the study indicated that, the rate of disposal in public sector organizations in Yatta sub-county was low and that the process of procurement planning for disposal was reported as long and tedious.

Munyao and Moronge (2017) explored the effect of public procurement framework on disposal of obsolete stock in the public sector in Kenya. The specific objectives were public policy and competent staff. The study showed that variables used were very significant and they therefore needed to be considered in any effort to boost disposal of obsolete stock in the public sector. Based on the study findings, the study concluded that disposal of obsolete stock in the public sector was affected by public policy followed by staff competency were the major factors that mostly affect disposal of obsolete stock in the public sector in Kenya

Momanyi (2016) sought to ascertain the effect of public procurement process on cost of generating power in the energy sector in Kenya with specific reference to Kenya Electricity Generating Company (Kengen). The study established that the procurement process has a significant effect on the cost of generating energy at Kengen. It was evident

that the three variables that constituted the procurement process: procurement planning, supplier selection and tender process explain 56.2 percent of the cost of generating energy.

Nyaboke and Muturi (2018) investigated the effect of procurement lead-time on the implementation of PPDA in Nyamira County. The study employed a case study research design and targeted procurements officers at the County offices in Nyamira and selected staff of firms supplying good and services to the county. Data was analyzed using descriptive analysis; Pearson's correlations and regression analysis to test hypotheses were also used. The data was then presented in tables with the aid of SPSS. The results show that: long lead time significantly negatively affected implementation of the PPDA 2015.

Abere and Muturi (2015) study dealt with factors affecting compliance with the public procurement and Disposal Regulations with special reference to Nyamira County, Kenya. The study concentrated on three variables:-Effect of training on compliance to Public Procurement regulations; Effect of Ethical practices during tendering process on compliance to PPDR and How does enforcement mechanisms affect compliance to public Procurement and Disposal Regulations. From the research findings it was be concluded that Training on PPDR, ethical practices during tendering process and enforcement mechanisms influences the compliance of procurement and Disposal Regulations in Nyamira County.

Kagendo (2012) study focused on the effects of PPDA on public procurement in Parastatals in Kenya. However the specific objectives were to establish the effect of PPDA on the procurement process in Parastatals in Kenya and find out find out the challenges to the implementation of the PPDA. The study adopted a cross sectional descriptive research design. For the purposes of this study, the population of interest was all parastatals in Kenya based in the

Nairobi County. The study adopted proportionate stratified Sampling design. The study concluded that that PPDA improved the competitiveness of the procurement processes among parastatals. In addition PPDA improved the quality of services and goods delivered, and finally it promoted ethical standards among Parastatals in procurement

Kendo and Getuno (2016) concur that new procurement framework has resulted to efficiency, fairness, transparency, on-discrimination, integrity among procurement professional, transparency and accountability and confidence within public sector in Kenya. The study concluded that PPDA has tremendously enhanced operational performance among State owned Parastatals in Kenya. In addition, it has led to improved services and goods and ethical standards among Parastatals in procurement.

According to Public Procurement Oversight Authority (2016), a number of measures have been proposed to mitigate challenges of implementing public procurement and Asset Disposal Act rotates around the activities of the procurement process. Identification of requirement, formulation of procurement plans, determination of the sources of supply, evaluation of vendors, award of tenders, contract implementation, storage, payment and disposal are all issues that enhance competitiveness of State owned Corporations. Further, review of procurement regulation, staff awareness on ethical values and development of procurement budgets are issues that promote efficiency and effectiveness in the procurement process.

Njogu and Gichinga (2016) aver procurement has remained to be a sensitive area that consumes public money, compliance to PPAD regulations and procurement planning would help to address the loopholes in the public sector and control state funds and any other misappropriated through procurement. Chepkoech (2013) postulates that despite the lack of transparency in procurement plans in state owned

corporations in developing countries and more especially in Kenya, compliance to newly developed Public Procurement and Asset Disposal Act will significantly contribute to enhance delivery of services to various stakeholders (Ministry of Public Service, 2016). Maurice (2014) indicated that inconsistencies in service delivery among State owned corporations have continued to be a major challenge. Issues of implementing procurement plans, anticipation of changing procurement trends, influence of technology and competition have still continued to remain a dilemma to State owned corporations in the operating in the road sector in Kenya (Gikonyo, 2014)

Mukura, Ngatia, Shalle and Kanda (2016) investigated the role of PPOA on procurement regulations in Kenyan state corporations. The study sought to determine to which extent the roles of monitoring, policy initiation and review, compliance and implementation of public procurement regulations as roles of PPOA as they affect procurement systems in Kenya Electricity Generating Company (KenGen). The study concluded that monitoring practices, review of policy, ensuring compliance and implementation of procurement regulations by PPOA affect KenGen procurement activities.

Marigat (2018) focused on the effective procurement contract administration in public secondary schools in Mogotio Sub-County, Kenya; To evaluate the effect of technology adoption on effective procurement contract administration in public secondary schools in Mogotio Sub-County, Kenya, and; To examine whether budgetary allocations affect effective procurement contract administration in public secondary schools in Mogotio Sub-County, Kenya. The variables of this study only accounted for 62.5% of the variability in effective procurement contract administration in public secondary schools in Mogotio Sub-County, Kenya.

METHODOLOGY

The study used a descriptive survey design to help in indicating trends in attitudes and behaviors and enable generalization of the findings of the research study to be done. The target population was 400 procurement related staff sampled from eight out of the forty seven counties in Kenya namely; Kiambu, Mombasa, Machakos, Nairobi, Garissa, Kisumu, Bomet and Kakamega. The study used primary forms of data. To ascertain the primary data from various departments the study used self-administered questionnaires. The study collected data using drop and pick method. The questionnaires were edited for completeness and consistency to ensure that respondents have completed them as required. The study collected both qualitative and quantitative data and was analyzed using both quantitative and qualitative methods with the help of (SPSS). Quantitative data was analyzed using descriptive statistics involving percentages and mean scores to determine varying degrees of response-concentration regarding asset disposal practices. Equation below showed the linear regression model of the independent variables against the dependent variable that was adopted by the study.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where:

Y = Dependent variable (Service Delivery).

X₁ = Procurement Planning

X₂ = Procurement Process

X₃ = Disposal of Assets

X₄ = Contract Management

ε = Error term, which is assumed to be normally distributed with mean zero and constant variance.

RESULTS

Descriptive Statistics

The study set out to examine the role of public procurement and asset disposal act (2015) on service delivery in county governments of Kenya. To this end, four variables were conceptualized as components

service delivery thereof. These included: procurement planning, procurement process, disposal of assets and contract management

Procurement Planning

The study sought to establish the extent to which respondents agreed with the statements relating to whether procurement planning. A scale of 1-5, the scores were as follows: The scores “Strongly disagree=SD” and “Disagree=D” were represented by mean score, equivalent to 1 to 2.5 on the continuous Likert scale (1 ≤ Disagree ≤ 2.5). The scores of ‘Neutral’ were represented by a score equivalent to 2.6 to 3.5 on the Likert scale (2.6 ≤ Neutral=N ≤ 3.5). The score of “Agree=A” and “Strongly agree=SA” were represented by a mean score equivalent to 3.6 to 5.0 on the Likert Scale (3.6 ≤ Agree ≤ 5.0). The results were presented in mean and standard deviation as illustrated in Table 1.

From the study results, majority of the respondents were neutral that that they had a formulated disposal committee to offer advisory advice on the ways to reduce costs as shown by a mean of 3.333, they do verify the procurement recommendations to the satisfaction of our customers as shown by a mean of 3.435; The procurement committee process and offer disposal recommendations to enhance timely delivery of services as shown by a mean of 3.213; The procurement committee does plans which recognize the current and future risks to the reduction costs as shown by a mean of 3.124; respondents were neutral that they resolve immediate problems that would disrupt the work as shown by a mean of 2.990; The procurement committee verify and process disposal recommendations to enhance customer satisfaction as shown by a mean of 3.009. This implied that procurement planning influence performance of state owned enterprises in Kenya.

According to Public Procurement and Asset Disposal Act, 2015, the Act stipulates that an accounting officer shall establish a procurement committee as and when prescribed for the purpose of disposal of

unserviceable, obsolete, obsolescent, or surplus stores, equipment or assets. The procurement committee shall be responsible for verification and processing of all disposal recommendations in liaison with the head of procurement function as prescribed. Asset Disposal Strategic Planning allows agencies to cull redundant assets that might otherwise reduce

efficient and effective service delivery. Asset Disposal planning involves two separate and distinct elements: the detailed assessment of assets identified as Surplus by the Asset Strategy followed by an analysis of the physical Disposal of the assets (PPADAct, 2015).

Table 1: Procurement Planning

Statement	SD	D	N	A	SA	Mean	Std
We have a formulated procurement committee to offer advisory advice on the ways to reduce costs	6.5%	6.5%	8.5%	72.5%	6%	3.333	.670
We do verify the procurement recommendations to the satisfaction of our customers	5.5%	11%	6.5%	67.5%	9.5%	3.435	.439
The procurement committee process and offer disposal recommendations to enhance timely delivery of services	6%	68%	9%	6%	11%	3.213	.897
The procurement committee does plans which recognize the current and future risks to the reduction costs	4.5%	8.5%	8.5%	72.5%	6%	3.124	.284
The procurement committee verify and process disposal recommendations to enhance customer satisfaction	72.5%	6.5%	8.5%	6.5%	6%	3.009	.186

Procurement Process

The study sought to establish the extent to which respondents agreed with the statements relating to whether procurement process influences service delivery in county governments of Kenya. A scale of 1-5, the scores were as follows: The scores “Strongly disagree=SD” and “Disagree=D” were represented by mean score, equivalent to 1 to 2.5 on the continuous Likert scale ($1 \leq \text{Disagree} \leq 2.5$). The scores of ‘Neutral’ were represented by a score equivalent to 2.6 to 3.5 on the Likert scale ($2.6 \leq \text{Neutral}=\text{N} \leq 3.5$). The score of “Agree=A” and “Strongly agree=SA” were represented by a mean score equivalent to 3.6 to 5.0 on the Likert Scale ($3.6 \leq \text{Agree} \leq 5.0$). The results were presented in mean and standard deviation as illustrated in Table 2.

From the results, majority of the respondents were neutral that that they use the procurement process to evaluate the return on investment to the customer

satisfaction as shown by a mean of 2.789, they do use income approach to estimate the impact of activities on maximum value for the properties being disposed as shown by a mean of 3.324; The market approach is based on the sufficient public information for the calculation on the property value to the satisfaction of the customers as shown by a mean of 3.234; respondents were neutral that they do use the asset approach method which caters for inflation in the property pricing to enhance business decisions as shown by a mean of 3.215; and they do use market approach based on the public information for the calculation to the satisfaction of their customers as shown by a mean of 3.213;. This implies that procurement process influence service delivery in county governments in Kenya.

Table 2: Procurement Process

Statement	SD	D	N	A	SA	M	Std
We use the asset approach to evaluate the return on investment to the customer satisfaction	5.5%	67.5%	6.5%	11%	9.5%	3.333	.599
We do use income approach to estimate the impact of activities on maximum value for the properties being disposed	6%	67%	9%	7%	11%	3.435	.421
The market approach is based on the sufficient public information for the calculation on the property value to the satisfaction of the customers	6.5%	74.5%	8.5%	4%	6%	3.213	.523
We do use the asset approach method which caters for inflation in the property pricing to enhance business decisions	4.5%	8.5%	8.5%	72.5%	6%	3.124	.313
We do use market approach based on the public information for the calculation to the satisfaction of our customers	6.5%	6.5%	8.5%	72.5%	6%	3.009	.562

Disposal of Assets

The study sought to establish the extent to which respondents agreed with the statements relating to whether disposal of assets influences service delivery in county governments of Kenya. A scale of 1-5, the scores were as follows: The scores “Strongly disagree=SD” and “Disagree=D” were represented by mean score, equivalent to 1 to 2.5 on the continuous Likert scale ($1 \leq \text{Disagree} \leq 2.5$). The scores of ‘Neutral’ were represented by a score equivalent to 2.6 to 3.5 on the Likert scale ($2.6 \leq \text{Neutral}=\text{N} \leq 3.5$). The score of “Agree=A” and “Strongly agree=SA” were represented by a mean score equivalent to 3.6 to 5.0 on the Likert Scale ($3.6 \leq \text{Agree} \leq 5.0$). The results were presented in mean and standard deviation as illustrated in Table 3.

From the results, majority of the respondents were found to highly agreed that they had a notification of a review and the tender notified as determined by the review board (3.715); The review board complete its review within the stipulated period after receiving the request for the review (3.032); There is need for additional skills and competencies of implementation of procurement outsourcing practices (3.149); The review board review increase transparency and accountability on the procurement procedures

(3.235). There is adequate notification of review and parties to review to enhance public confidence (3.218).

PPAD Act, 2015 states that, in no case shall any appeal under this Act stay or delay the procurement process beyond the time stipulated in this Act or the Regulations made there under. Upon completing a review, the Review Board may do any one or more of the following; Annul anything the accounting officer of a procuring entity has done in the procurement proceedings, including annulling the procurement or disposal proceedings in their entirety.; give directions to the accounting officer of a procuring entity with respect to anything to be done or redone in the procurement or disposal proceedings ; substitute the decision of the Review Board for any decision of the accounting officer of a procuring entity in the procurement or disposal proceedings ; order the payment of costs as between parties to the review in accordance with the scale as prescribed or order termination of the procurement process and commencement of a new procurement process (PPAD Act, 2015).

Table 3: Disposal of Assets

Statement	SD	D	N	A	SA	M	Std
We do have a notification of a review and the tender notified as determined by the review board	4.5%	8.5%	8.5%	72.5%	6%	3.715	.545
The review board complete its review within the stipulated period after receiving the request for the review	6.5%	74.5%	8.5%	4%	6%	3.032	.626
The review board review increase transparency and accountability on the procurement procedures	6.5%	6.5%	8.5%	72.5%	6%	3.149	.287
There is adequate notification of review and parties to review to enhance public confidence	4.5%	8.5%	8.5%	72.5%	6%	3.218	.542

Contract Management

The study sought to establish the extent to which respondents agreed with the statements relating to whether management influence service delivery in county governments of Kenya. A scale of 1-5, the scores were as follows: The scores “Strongly disagree=SD” and “Disagree=D” were represented by mean score, equivalent to 1 to 2.5 on the continuous Likert scale ($1 \leq \text{Disagree} \leq 2.5$). The scores of ‘Neutral’ were represented by a score equivalent to 2.6 to 3.5 on the Likert scale ($2.6 \leq \text{Neutral}=\text{N} \leq 3.5$). The score of “Agree=A” and “Strongly agree=SA” were represented by a mean score equivalent to 3.6 to 5.0 on the Likert Scale ($3.6 \leq \text{Agree} \leq 5.0$). The results were presented in mean and standard deviation as illustrated in Table 4.

A majority of respondents highly agreed that county government has a competent contract management team (3.928); Tenders are evaluated before awarding (3.842); county government had an insurance policy plan (3.629); County government has a risk management plan (3.619); Requirements review is conducted in the procurement process (3.603); and that Contracts are awarded competitively (3.601); County government has a documented contract review process (3.583); All organization contracts are subjected to Inspection (3.524). A majority however moderately agrees that Contracts have respective project managers (3.374).

Respondents were further asked to briefly provide any other aspect which may enhance contract management performance in the Public sector. A majority in this regard cited risk management, insurance as well as resource efficiency. The foregoing findings reveal that contract management is a key consideration in the study area’s procurement process. The contract management practice thereof is comprehensive with emphasis laid on among other attributes, a competent contract management team, tender evaluation before awarding, insurance and risk management policies requirements review in the procurement process as well as awarding of contracts on a competitive basis. This is in line with Kakwezi and Nyeko (2010) who emphasize the need to make appropriate mid to longer-term investments in procurement contracts management process capabilities. As KLR (2015) provides, these investments should be used to improve strategies, policies, practices, as well as the organizational tools and technological upgrades needed to achieve the targeted level of contracts management process performance and control. SDPC (2009) maintains that for effective contract management, there is need to develop, implement and enforce enterprise-wide contracting policies that reflect overall contracts management process strategy and objectives.

Table 4: Contract Management

Contract Management	Mean	Std. Dev
County government has a documented contract review process	3.583	0.9442
County government has a risk management plan	3.619	0.0429
County government has an insurance policy plan	3.629	0.8592
Requirements review is conducted in the procurement process	3.603	0.3056
Contracts are awarded competitively	3.601	1.3078
Tenders are evaluated before awarding	3.842	0.9745
Contracts have respective project managers	3.374	0.6734
County government has a competent contract management team	3.928	1.0080
All organization contracts are subjected to Inspection	3.524	0.5292

Service Delivery in County Governments

On the extent to which service delivery in the organization, respondents were asked to indicate the extent to which the factors determined the timely and quality of delivery of services, revenue and debt management, facilities and infrastructure. The data was collected from the different indicators of the variable. Service delivery which was ordinal categorical. The data was therefore presented in frequency tables with the median being used as the appropriate measure of central tendency. The results were presented in Table 5. The first indicator for the dependent variable required to know what the service delivery was timely and delivery of quality services was, 0% of the respondents had 0-10%, 3% had 20-30%, 11% had 30-40%, 17% had 40-50%, 69% had had over 50%. The modal class is of the respondents who had over 50% timely and delivery of quality services. The median was found to be 5 which

imply that on average the organizations level of compliance with timely and delivery of quality services is over 50%.

The next indicator required the respondents to state the level of revenue and debt management, 3% of the respondents had 0-20%, 3% had 20-30%, 14% had 30-40%, 26% had 40-50%, 49% had over 50%. The modal class is of the respondents who had over 50%. The median was found to be 5 which imply that on average level of revenue and debt management was by over 50%. When the respondents were asked what the level of facilities and infrastructure was, 0% of the respondents 0-20%, 3% had 20-30%, 3% had 30-40%, 34% had 40-50%, 60% had over 50%. The modal class is of the respondents who had over 50% level of facilities and infrastructure. The median was found to be 5 which imply that on average the level of facilities and infrastructure in the county government is over 50%.

Table 5: Service Delivery

Statement	0%- 10%	11%- 20%	21%- 40%	41%- 50%	Over 50%	Mode
What is the level of timely and quality of services?	0	3	11	17	69	5
What is the level of revenue and debt management?	3	3	14	26	49	5
What is the level of facilities and infrastructure	0	3	3	34	60	5

Multiple Regression Analysis

The data showed that the high R square is 0.651. It shows that the independent variables in the study were able to explain 80.70% variation in the service delivery while the remaining 19.30% is explained by

the variables or other aspects outside the model. This implies that these variables are very significant and they therefore need to be considered in any effort to boost service delivery in the county governments of Kenya. The study therefore identifies variables as

critical elements of PPDA (2015) which affect service delivery in the county governments of Kenya.

Table 6: Model Summary

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate
	.807	.651	.628	.987

The F-statistic test basically showed whether all the independent variables included in the model jointly influence on the dependent variable. Based on the study results of the ANOVA Test or F-test in Table 7, obtained F-count was 50.016 greater the F-critical

(5.678) with significance of 0.000. Since the significance level of $0.000 < 0.05$ we conclude that the set of independent variables affect the service delivery in the county governments of Kenya (Y-dependent variable) and this shows that the overall model was significant.

Table 7: ANOVA

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	50.876	4	12.719	50.016	.000
Residual	43.987	173	.2543		
Total	126.121	177			

NB: F-critical Value = 5.678

The study conducted a multiple regression analysis so as to determine the relationship between the dependent variable and independent variables. The general form of the equation was to predict service delivery in the county governments from PPDA (2015) is: $(Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \epsilon)$ becomes: $Y = 1.698 + 0.511X_1 + 0.506X_2 + 0.475X_3 + 0.426X_4$.

county governments, a unit increase in disposal of assets will lead to 0.475 increase in service delivery in the county governments and a unit increase in contract management will lead to 0.426 increase in service delivery in the county governments.

From the study findings on the regression equation established, taking all factors into account (independent variables) constant at zero service delivery in the county governments of Kenya will be 1.698. The data findings analyzed also showed that taking all other independent variables at zero, a unit increase in procurement planning will lead to a 0.511 increase in service delivery in the county governments; a unit increase in procurement process will lead to a 0.506 increase in service delivery in the

This infers that procurement planning contributed most to service delivery in the county governments. Based at 5% level of significance, procurement planning had a .000 level of significance; procurement process showed a .002 level of significance, disposal of assets show a .004 level of significance and contract management show a .005 level of significance hence the most significant factor was procurement planning.

Table 8: Coefficient Results

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error			
(Constant)	1.698	.223		7.615	.000
Procurement Planning	.511	.065	.765	7.876	.000
Procurement Process	.506	.076	.654	6.654	.002
Disposal of Assets	.475	.122	.555	3.898	.004
Contract Management.	.426	.154	.532	2.771	.005

T-Test Results

To determine the significance of the effect of independent variables (procurement planning, procurement process, disposal of assets, contract management) on the procurement performance as the dependent variable is the T-test. The results of t-test were as follows: The T-value for disposal planning (7.876) has a significance level of 0.000 thus the value of less than 0.05. Thus research question one is concluded that the procurement planning has significant positive influence on the service delivery in the county governments in Kenya.

CONCLUSIONS

The study concluded that procurement planning is the first most important factor that influences service delivery in county governments in Kenya. The regression coefficients of the study show that procurement planning has a significant influence on service delivery in county governments in Kenya. This showed that procurement planning has a positive influence on service delivery in county governments in Kenya.

The study concluded that procurement process is the second most important factor that influences service delivery in county governments in Kenya. The regression coefficients of the study showed that procurement process has a significant influence on service delivery in county governments in Kenya. This showed that procurement planning has a positive influence on service delivery in county governments in Kenya.

The study concluded that disposal of assets is the third most important factor that influence service delivery in county governments in Kenya. The regression coefficients of the study showed that disposal of assets had a significant influence on service delivery in county governments in Kenya. This showed that disposal of assets has a positive influence on service delivery in county governments in Kenya.

The study concluded that contract management is the fourth most important factor that influences service delivery in county governments in Kenya. The regression coefficients of the study showed that contract management has a significant influence on service delivery in county governments in Kenya. This shows that compliance to disposal of assets has a positive influence on service delivery in county governments in Kenya.

RECOMMENDATIONS

The study recommended for a well formulated disposal committee to offer advisory advice on the ways to reduce costs. They should verify the disposal recommendations to the satisfaction of our customers. The disposal committee should have plans which recognize the current and future risks to the reduction costs and they resolve immediate problems that would disrupt the work. There is need to use the asset approach to evaluate the return on investment to the customer satisfaction. They should use income approach to estimate the impact of activities on maximum value for the properties being disposed. The market approach should be based on the sufficient public information for the calculation on the property value to the satisfaction of the customers.

The study recommended that there is need to have a notification of a review and the tender notified as determined by the review board. The review board should complete its review within the stipulated period after receiving the request for the review. There is need for additional skills and competencies of implementation of procurement outsourcing practices. The review board review should increase transparency and accountability on the procurement procedures. There is need to comply with the administrative review procedures to enhance public trust to enhance customer satisfaction. There should be compliance to the prescribed methods of disposal to enhance timely delivery of services. They should

comply within a reasonable time after assets become unserviceable, obsolete or surplus. The organization should comply with the criteria for formulation of disposal committee to enhance customer satisfaction.

Recommendations for Further Research

The study contributed the body of knowledge by examining the role of PPDA (2015) on service delivery in county governments in Kenya. The service delivery in county governments in Kenya is greatly affected by procurement planning, procurement process, disposal of assets and contract management. The study contributed to the existing literature in the field

of public procurement by elaborating exiting theories, models and empirical studies on service delivery in county governments in Kenya in Kenya. The current study should therefore be expanded in future in order to determine the other factors hindering service delivery in county governments in Kenya. Existing literature indicates that as a future avenue of research, there is need to undertake similar research in other state enterprises and other countries in order to establish whether the explored factors can be generalized to service delivery in county governments in Kenya.

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