



**INFLUENCE OF SUPPLY CHAIN MANAGEMENT PRACTICES ON PROCUREMENT PERFORMANCE IN THE COUNTY GOVERNMENT OF BUNGOMA, KENYA**

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**ABSTRACT**

*The establishment of the devolved governance aimed at bringing resources to the local level and to improve the standard of living among Kenyan citizens. However, Kenya government still loses about one third of the national budget to corruption, with 80% of corruption cases presented before the Kenya Anti-corruption commission being about procurement. This has therefore led to poor procurement performance. Moreover, the process of procurement has resulted to loss of colossal amount money for both county and national governments as a result of supplier's collusion, late deliveries, and ineptitudes in transactions, inadequate in accountability and transparency, inadequacies in keeping of records and conflicts of interest. Therefore, this study investigated the influence of supply chain management practices on procurement performance in the County Government of Bungoma. Specifically, sought to examine how supply chain collaboration influences performance of procurement in the county government of Bungoma. Descriptive research design was adopted. Two hundred employees constituted target population comprising of support staff, managers at middle level rank and senior managers. A sample size of one hundred and thirty employees was sampled by use of stratified sampling method. Questionnaires were deployed to collect primary data. Data will be analyzed by use of both inferential and descriptive statistics. Statistical Package for Social Sciences version 24 was used to process data. The association between dependent and independent variables was established using correlation and linear regression analysis. The study established that supply chain collaboration have significant positive influence on procurement performance. The study concluded that supply chain management practices significantly predict procurement performance in County Government of Kakamega. The study recommended that County governments should ensure that is comprehensive framework that would ensure maximum supplier collaboration in the supply chain management as this would enhance procurement performance.*

**Keyword:** *Supply Chain Collaboration, Supply Chain Management, Procurement Performance, County Governments.*

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## INTRODUCTION

Procurement entity of any organization plays a very important role in the performance of the organization. For this reason, purchasing function is expected to meet people's demands in an efficient and effective manner (Masindano, Makokha & Namusonge, 2018). However, in most government institutions, procurement of goods and services has been negatively affected by various factors that lead to delays in procurement and procurement of sub-standard or unwanted goods and services. This has therefore led to adoption of a long term and strategic view of their procurement needs and management and the use of annual procurement plans to solve the problem associated with performance (Ogwel, Iravo & Lagat 2016).

The role of procurement in organizations has increased in recent years particularly in public authorities. Nevertheless, public institutions aim at being more efficient, more cost effective, more accountable and more responsive to the needs of its customers (Nzau & Njeru, 2014). It is therefore worth noting that for any organization to realize these objectives, the procurement entity must be effectively managed. Additionally, objectives can only be achieved through following the laid down procurement procedures which on the other hand eliminates the possibility of poor performance (Wanyonyi & Muturi, 2015).

Nyamasege and Biraori (2015) asserts that Kenya's procurement process experiences lackluster performance portrayed by formality measures, resistance to the Act, overpricing, inferior planning, contracts which are poorly managed, inadequacy in accountability and transparency, material repetition and debasement. An investigation by Wanyama (2010) likewise uncovered that numerous county government lose colossal amount of money every year because procurement functions which are not effectively implemented in accordance with regulations as spelled out in public procurement and disposal Act.

Mugo (2011) found out that the main considerations that inform the degree to which

robust system of procurement are utilized in Kenya's County government include; the degree of complying with regulations on procurement, minimisation of procurement expenses, procurement funds accountability and transparency and the quality of services and good procured. Kiage (2013), for adequacy and proficiency in the process of procurement, entities involved in procurement in Kenya through the current legal structure need to merge departmental procurement plans to give the entities procurement plan which before its execution must get the approval from the accounting office.

Mayaka (2015) sought to establish the effect of supply chain management practices on performance of Barclays Bank Kenya Limited. The study depicted that supply chain management practices positively influence performance of the organization. Order fulfilment practices had the greatest effect while just in time had the lowest. In conclusion, supply chain management practices affect performance of the organization and that most heads of departments are aware of supply chain management practices and satisfied to a great extent with the banks performance.

Wahu, Namusonge, Mungai and Chilion (2015) sought to find out determinants affecting performance of procurement function among public secondary schools in Kenya. From their findings, three variables were singled out. In order of preference, competitive bidding was found to affect procurement performance to the greatest extent then prevailing legal framework and the least impacting factor on procurement performance was aggregation of procurement.

Procurement performance is all about purchasing efficiency and effectiveness. Barsemoi, Mwangagi and Asienyo (2014) notes that procurement performance is the backbone of an organization success since it contributes to competitive purchase and acquisition of quality goods that puts the organization products or services in the competitive edge in the market. However, the researchers further argue that performance of procurement

which is below adds to diminish in profitability consequently is a significant obstruction to the organization growth achievement as it prompts deliveries delays, inferior quality merchandise and increment in faults as well as defects.

Performance is a tool utilized in assessing how well a firm is advancing towards its foreordained goals. It additionally has the ability to distinguish areas of weakness as well as strength and decisions on future activities with the objective of how to initiate performance enhancement. Metrics for measuring performance of procurement include purchase cost savings; managing supplier base; internal customer satisfaction; procurement cost; resource utilization; product price variance, effective contract utilization, supplier performance, procurement cycle time, transparent price information and transparent tendering (Owuor, Juma & Obura, 2018).

Procurement performance measure is a tool for effective control, stewardship of resources and reveals the value of the procurement function. Moreover, well stipulated procurement performance objectives track an organization's change process and improve its viability. It's all about efficiency and effectiveness. Efficiency is the relationship between planned and actual resources required to realize the established goals and objectives and their related activities, referring to the planned and actual costs while effectiveness is the extent to which the previously stated goals and objectives are being met (Kiromo, 2015).

Chimwani, Iravo and Tirimba (2014) assert that supplier performance has an impact on procurement performance. The researchers argue that performance measurements include efficiency, effectiveness, dependability and equitable reward distribution to key players in the process in order to achieve win-win situations. Moreover, procurement performance is based on total cost, quality, enhancement of competitiveness of suppliers using best procurement practice and a working principle to create customer satisfaction at the end point of delivery and continuous improvement of process.

The Constitution of Kenya 2010 upon promulgation and enactment changed the Governance structure from a centralized unit to devolved sub-units known as the County Governments. The aim of devolved governments after the 2013 Elections and enactment of subsidiary laws was to address development challenges of the centralized governance that Kenya has faced since independence. These challenges include bureaucratic inefficiencies, lack of accountability and transparency, unequal distribution of national resources and minimal community participation in local development (Khaunya, Wawire & Chepng'eno, 2015). Nevertheless, poor procurement performance is a common problem in the in the many county governments with an immeasurable cost spiraling to over Kshs. 85 billion annually (Selebwa & Morenge, 2018).

#### **Statement of the Problem**

Most researchers (Barsemoi, Mwangagi & Asienyo, 2014) notes that globally, procurement performance is the backbone of an organization success since it contributes to competitive purchase and acquisition of quality goods that puts the organization products or services in the competitive edge in the market; thus, poor procurement performance is a major hindrance to the realization of organizational growth as it leads to delays in delivery, low quality goods and services.

In Kenya, the establishment of devolved governance was ideally expected to bring resources to the local level and improve the standard of living among Kenyan citizens. However, this is not fully achieved as the government still loses about one third of the national budget to corruption, with 80% of corruption cases presented before the Kenya Anti-corruption commission being about procurement related cases (AfriCOG, 2015). That is, county governments have lost a lot of money in the procurement processes as a result of conflict of interests, poor records keeping, inadequate transparency and accountability, transaction inefficiencies, delays in delivery and collusion with

suppliers which negatively affects procurement performance (Njagi & Kinoti, 2018).

Existing evidence in literature review (Mwanjumwa & Simba, 2015) has revealed supply chain management practices such as supplier evaluation and selection criteria affected procurement performance but with little empirical evidence on how supply chain collaboration affects procurement performance. Mrope (2017) indicated that strategic importance of procurement professionalism on procurement performance can only be realized if all procurement staff embraces procurement professionalism plus supply chain collaboration hence empirical study is needed to justify this assertion. Therefore, lack of adequate empirical evidence on the conceptualized contributing factors of procurement performance function in county governments motivated this study to investigate the influence of Supply Chain Collaboration on procurement performance in the county government of Bungoma, Kenya.

### **Objectives of the study**

The objective of this study was to assess the influence of supply chain collaboration practices on procurement performance of Bungoma county government. The study was guided by the following hypothesis;

- **H<sub>0</sub>:** There is no significant influence of supply chain collaboration practices on procurement performance of Bungoma county government.

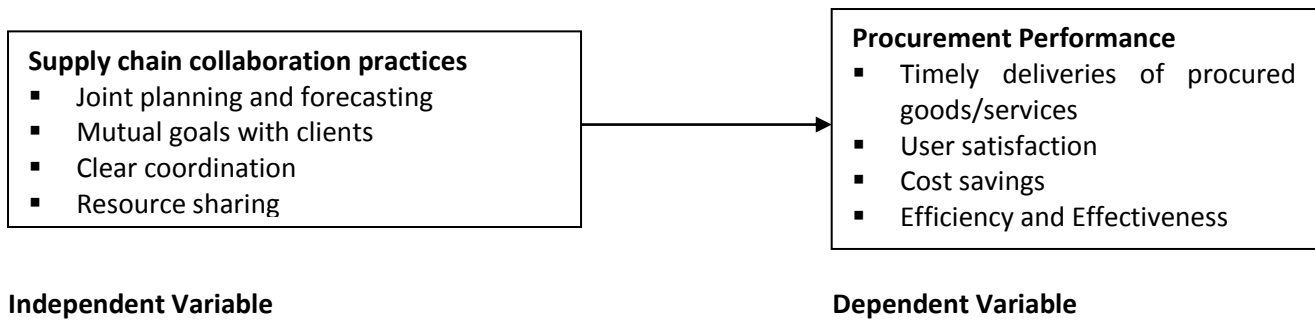
### **LITERATURE REVIEW**

This study was guided by coordination theory. Coordination theory states that dependencies exist among activities and need to be managed properly. The theory has been used to analyze inter-organizational dependencies, coordination of product information in the supply chain and bundling of digitized logistics activities (Haozhe, Daugherty & Landry, 2009). Organizational practices such as supply chain risk management and collaboration are coordinated through the networks of communications and relationships that exist among organizational actors, and the strength of

those networks predicts superior performance (Ossowski & Omicini, 2002). In the 1990s, supply chain management grew out of the recognition that increased reliance on improved relationships, collaborations, and information exchange with supply chain partners. Both internal and external organizational changes are required for successful supply chain management. Greater cooperation and coordination across the supply chain, both intra- and inter-organizational, through long-term and strategic relationships have led to improved financial and organizational performance.

According to Govindan, Popiuc and Diabat (2013), inadequate investigation of internal and external coordinating mechanisms collectively amongst organizational and inter-organizational networks has been studied. External cooperation amongst organizations may not provide significant performance improvements nor be successful without proper internal cooperation. It has been found that organizations with well-developed internal and external interfaces perform better than their counterparts only with sound internal interfaces (Hunt & Davis, 2012). SCMP is typically an outcome of the interaction between a firm and various outside entities. Supplier and customer involvement, integration, and collaboration are important routes to performance improvements in organizations.

County Governments employ various approaches to exploit the available resources, the county government carry out inter – departmental transfers of human resource after analyzing the core competencies of individuals within a period of three years to facilitate appropriate deployment of resources. Further, the county government has a policy on direct procurement of service from various government institutions that provides services required by other government ministries. It also promotes greater cooperation and coordination across supply chain both intra and inter-organizations through long term and strategic relationships leading to improved procurement performance.



**Figure 1: Conceptual Framework**

Collaboration has been referred to as the driving force behind effective supply chain management and may be the ultimate core capability in modern global economy (Trkman et al., 2015). Supply chain collaboration is regarded as a key pillar of supply chain management (Al-Abdallah, Abdallah & Hamdan, 2014). Kim and Lee (2010) posit that the main goal of management should be to elicit collaborative service to supply chain partners in general and customers in particular, so that it can manage relationships within the supply chain in a value creating way.

The rise of supply chain management reinforces the incentive for developing supply chain collaborations between suppliers, manufacturers, logistic service providers, distributors and customers so as to improve performance (Sweeney, Grant & Mangan, 2015). Supply chain collaboration can vary from very superficial transactionally focused to extremely integrated close relations or from collaborative communication to supplier development and from inward to outward facing (Hui, He-Cheng & Min-Fei, 2015). There are various drivers of collaboration; market characteristics, product characteristics and partner characteristics. Collaboration in supply chain under circumstances of uncertainty is normally perceived as beneficial.

Shalle, Guyo, & Amuhaya (2014) concluded that buyer/supplier collaboration enhances procurement performance hence creating a competitive advantage through sharing information making joint decision, inter-organizational relationship. This indicates that the level of supply chain collaboration has an important interaction

effect on the relation between external resources and buying firm performance, where collaborative forms of buyer-supplier exchange facilitate greater access to external resources.

Aladejebi and Adedeji (2015) while referring to Van weel (2002), effective procurement is a procedure whereby organization address their issues for merchandise, utilities, service and works in a way that accomplishes worth for cash on an entire life basis as far as producing benefits not exclusively to the organization and the economy. Mwanjumwa and Simba (2015) indicate that performance of procurement ought to be founded on all out cost, quality, and improvement of aggressiveness of service providers utilizing best acquisition practice. Besides, service provider additionally has the capacity of affecting performance and along these lines service provider moving to lower costs may not bring about the best long run value for money. In any case, sharing data and helping vendors to improve performance is a need for topnotch performance.

Wahu, Namusonge, Mungai and Ogol (2015) undertook an investigation on what affects performance of various functions of procurement among secondary schools which are publicly owned in Gatundu District, Kenya. The study posits that performance can be measured by amount of money saved by the company, efficiency and effectiveness. This means that the enhancement of reduction in the cost of raw material and services allows companies to competitively market the price of their finished goods in order to win business. Hamza et al. (2016) indicates that inferior

procurement performance is usually as a result of improper regulations, traditional procedures of procurement, inferior procurement activities coordination and staff who are less competent.

A study by Rotich, Muma, Micheni (2016) reveals that the concept of procurement performance has existed from as early as 1930s. Different stakeholders have different expectations from the public procurement functions which need to be met. This has therefore led to the development of performance indicators which include timeliness, systems productivity, quantity and cost. Cheptora, Osoro and Musau (2018) define procurement performance as an on-going, never-ending, integrated process requiring continuous reassessment and reformation. Performance of any organization heavily rely on procurement be it private or public and therefore there is need for robust system to be adopted and implemented. Nevertheless, procurement performance measurement is the process by which procurement establishes criteria, based on strategic planning goals, for determining the results and quality of its activities.

### **Empirical Review**

Njagi and Shalle (2016) aimed at evaluating the role of supplier management on procurement performance in manufacturing companies a case of East African breweries. The specific objectives covered supplier collaboration and supplier training. The study adopted a descriptive design with the population being the employees of East African breweries and their suppliers. Data was edited, coded and analyzed by use of statistical package for social sciences and presented through tables and graphs. EABL has a strong collaborative relationship with its suppliers and undertakes measures to train them. This has improved procurement performance to great extent. However supplier integration and to be specific shared technology has not properly been achieved. EABL should focus more on integration and to maintain or improve on supplier collaboration and supplier training.

Gumboh (2017) investigated the effect of supply chain collaboration on strength of business-to-business relationship among information and communication technology small and medium enterprises in Kenya. Positivism paradigm approach and descriptive research survey design was adopted in this study. The target population for this study was 134 small and medium enterprises of information and communication technology firms in Kenya. A sample of 100 small and medium enterprises was selected. A self-administered structured questionnaire was used to collect primary data. Qualitative data was obtained from published sources such as library, internet and research done by other scholars. Quantitative technique was used to analyze the collected data with the aid of Statistical Package for Social Sciences software version 21.0. The study demonstrated positive relationship between supply chain collaboration and business-to-business relationship.

Gichuru, Iravo and Arani (2015) sought to investigate collaborative supply chain practices in the performance of Del Monte Kenya Ltd. The study adopted a descriptive case study design. The target population for the study was 243 staff members. Stratified random sampling technique was used to select 73 participants from the sampling list. The researchers used questionnaire to collect information from respondents. The collected data was analyzed using quantitative and qualitative techniques. The study found out that information sharing and resource sharing has positive influence in the performance company. Companies should share resources with key suppliers in order to leverage capabilities.

Barasa, Simiyu and Iravo (2014) sought to assess the impact of supply chain collaboration practice on the performance of Steel Manufacturing Companies in Kenya. The descriptive research design was used. Structured questionnaires and oral interviews research techniques were used to get primary data. Purposive sampling technique was used to identify and select eligible participants for the study. Both

quantitative and qualitative research techniques were used during data presentation using inferential statistics to draw conclusions from the nominal measurement scale. The study revealed that supply chain collaboration practice statistically significantly predicted the performance of Steel Manufacturing Companies in Kenya.

Mahulo (2015) sought to investigate supply chain collaboration practices and organizational performance among cement companies in Kenya. The study adopted a cross-sectional design. Both primary and secondary data was utilized in the study. Primary data was collected using a semi-structured questionnaire while secondary data was obtained from the annual financial reports of the respective companies. A census approach was adopted with the sampling frame consisting of all the cement firms in Kenya. Both descriptive and inferential statistics were used to describe the variables numerically. The outcome of the study thus establishes a near perfect positive relationship between supply chain collaboration practices and the organizational performance of the cement firms in Kenya.

Gommans and Kari (2015) sought to establish the influence of supply chain management practices on the procurement performance of horticulture companies in Kenya focusing on Homegrown Horticulture Company, Naivasha. The study adopted the case study research design which is a descriptive type of study and targeted Homegrown's management, procurement, marketing and accounting staff that number 39. The study employed the census method and used questionnaires as data collection instruments in the study. Descriptive statistics were used to analyze data which were then presented as frequencies and percentages in tables, graphs and charts. The findings revealed that the creation of collaborative networks by the organization's managers had

enabled the firm's management to make better decisions when prices changed.

## **METHODOLOGY**

The study adopted a descriptive research design. According to Kothari (2004), descriptive research studies are designed to obtain relevant and precise information concerning the current status of a problem or phenomenon and whenever possible to draw valid general conclusions from the facts discovered. The target population for the study was 189 Bungoma County Government officers drawn from the supply chain, audit, finance and accounts departments in Bungoma County who are either directly involved in or support procurement functions. One hundred and twenty five (125) sample respondents were obtained from the study population using stratified random sampling method. The study utilized primary data collected using questionnaire.

This study assessed validity of the study instrument using construct validity and content validity. To measure the reliability, Cronbach Alpha technique was employed. The researcher used descriptive statistics that included frequencies and percentages. The study used inferential statistics such as correlation analysis and regression analysis to test null hypothesis. SPSS software version 26 was used for statistical analysis.

## **FINDINGS AND DISCUSSIONS**

### **Descriptive statistics**

Descriptive statistics were summarized in form of frequencies, percentages, means and standard deviation which summarized respondents perceived responses to each of the statements on the study variables using likert scale of values ranging from 1 to 5; that is; 1=Strongly Disagree, 2=Disagree, 3=Uncertain, 4=Agree and 5= Strongly Agree. This was done for supply chain collaboration and procurement performance. The details of descriptive analysis are presented in table 1.



**Table 1: Supply Chain Collaboration**

Supply Chain Collaboration	1	2	3	4	5	Mean	SD
My organization involves our suppliers in the joint planning and forecasting process	2.8% (3)	18.3% (20)	13.8% (15)	41.3% (45)	23.9% (26)	3.65	1.117
My organization relationship with its suppliers is based on mutual understanding and mutual goals	6.4% (7)	8.3% (9)	11% (12)	58.7% (64)	15.6% (17)	3.69	1.043
My organization has a clear policy on managing the relationship with suppliers	6.4% (7)	12.8% (14)	20.2% (22)	56% (61)	4.6% (5)	3.39	0.991
My organization has developed the system to monitor the supplier performance	0.9% (1)	19.3% (21)	22% (24)	53.2% (58)	4.6% (5)	3.41	0.884
There is clear coordination and resource sharing between my organization and our supplier	4.6% (5)	6.4% (7)	18.3% (20)	45% (49)	25.7% (28)	3.81	1.041
There is standardized means of communication across all functions in my organization and our suppliers	2.8% (3)	5.5% (6)	19.3% (21)	59.6% (65)	12.8% (14)	3.74	0.854
We share proprietary information with suppliers.	7.3% (8)	12.8% (14)	34.9% (38)	36.7% (40)	8.3% (9)	3.26	1.031
<b>Overall Mean</b>						<b>3.56</b>	

From Table 1, less than half of respondents agreed (41.3%) that that their County Government involves their suppliers in the joint planning and forecasting process while 23.9% strongly agreed to the statement. More so, 58.7% of the respondents agreed that organization relationship with its suppliers is based on mutual understanding and mutual goals and further 15.6% strongly agreed with presence of PPDA Act to procurement officers and suppliers. The results further revealed that 56.0% agreed, and 4.6% strongly agreed that the County Government has a clear policy on managing the relationship with suppliers. A mean of 3.39 implies that not all respondents confirmed that county government has a clear policy on managing the relationship with suppliers.

More so, slight majority of the respondents (53.2%) agreed that county government had developed the system to monitor the supplier performance while 4.5% strongly agreed. However, 22.0% of the

respondents were undecided. The results further revealed that 45.0% of the respondents agreed and 25.7% strongly agreed there is clear coordination and resource sharing between county government and our supplier. A mean of 3.81 implies that procurement officers inspect goods and services delivered.

In regard to standardization, 59.6% (25) and 12.8% (7) agreed and strongly agreed respectively that there is standardized means of communication across all functions in my organization and our suppliers. A mean of 3.74 implies that procurement officers act in compliance with PPDA Act 2015 guidelines so as to avoid procurement flaws. Lastly, 36.7% (40) and 8.3% (9) agreed and strongly agreed respectively that county government share proprietary information with suppliers. A mean of 3.26 implied that not all respondents confirmed that county government shared proprietary information with suppliers.

**Table 2: Procurement performance**

Procurement Performance	1	2	3	4	5	Mean	SD
Supplier efficiency has helped in achievement of delivery reliability	0.9% (1)	1.8% (2)	36.7% (40)	36.7% (40)	23.9% (26)	3.81	.855
There is enhanced material cost reduction due to proper planning	6.4% (7)	10.1% (11)	27.5% (30)	45.9% (50)	10.1% (11)	3.43	1.022
There is reduced user complaints as a result of improved service delivery/ delivery reliability and quality control	11.9% (13)	45.9% (50)	29.4% (32)	9.2% (10)	3.7% (4)	2.47	0.948
The county government achieves timely bids evaluation and supplier selection	1.8% (2)	13.8% (15)	21.1% (23)	46.8% (51)	16.5% (18)	3.62	0.979
There are decreased undelivered contracts of the awards and thus user satisfaction.	9.2% (10)	8.3% (9)	29.4% (32)	33.9% (37)	19.3% (21)	3.46	1.167
There is efficiency improvement in procurement process	5.5% (6)	4.6% (5)	41.3% (45)	33.9% (37)	14.7% (16)	3.48	0.987

From Table 2, there was an agreement that supplier efficiency had helped in achievement of delivery reliability as indicated by a mean of 3.88 with an insignificant standard deviation of 0.855. On the other hand, the study established that respondents were undecided whether there is enhanced material cost reduction due to proper planning as shown by a mean of 3.43 although standard deviation of 1.022 implies that some there was great deviation. This is evident by 45.9% of the respondents were agreed while 27.5% were undecided.

There was no reduction in user complaints as a result of improved service delivery/ delivery reliability and quality control as indicated by a mean of 2.47 although there was significant deviation from the mean (0.948). The county government achieves timely bids evaluation and supplier selection as indicated by a mean of 3.62 although there was significant deviation as indicated by

21.1% of the sampled respondents who were undecided.

The respondents were undecided whether there are decreased undelivered contracts of the awards and thus user satisfaction as indicated by a mean of 3.46 although there was significant deviation from the mean as revealed by 29.4% of the respondents who were undecided. Lastly, the respondents were undecided whether there is efficiency improvement in procurement process as indicated by a mean of 3.48 with a significant standard deviation of 0.987. Further, 41.3% of the respondents were undecided whether there is efficiency improvement in procurement process.

#### Inferential Statistics

This tested objective one of the study; to assess the influence of Supply Chain Collaboration on procurement performance of Bungoma county government. The results were presented in Table 3.

**Table 3: Influence of Supply Chain Collaboration on Procurement performance**

Model Summary			
R	R Square	Adjusted R Square	Std. Error of the Estimate
.695 <sup>a</sup>	.483	.479	.4496981

a. Predictors: (Constant), Supply Chain Collaboration

ANOVA <sup>a</sup>					
Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	20.197	1	20.197	100.150	.000 <sup>b</sup>
Residual	21.638	107	.202		
Total	41.892	108			

a. Dependent Variable: Procurement Performance

b. Predictors: (Constant), Supply Chain Collaboration

Model	Coefficients			t	Sig.
	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta		
(Constant)	1.511	.198		7.617	.000
Supply Chain Collaboration	.563	.056	.695	10.008	.000

a. Dependent Variable: Procurement Performance

The model summary in table 3 showed that R squared ( $R^2$ ) = 0.483 implying that 48.3% of variation in the dependent variable (Procurement performance) was explained by the independent variable (Supply Chain Collaboration). This percentage change in procurement performance is significant as indicated by  $F(1,108) = 100.150$ ,  $P=0.000$ . This suggested that supply chain collaboration is significant predictor of procurement performance in the County Government of Bungoma.

These findings compare favorably with Mahulo (2015) who indicated that a near perfect positive relationship between supply chain collaboration practices and the organizational performance of the cement firms in Kenya. Another similar result was obtained by Njagi and Shalle (2016) who revealed that EABL has a strong collaborative relationship with its suppliers and undertakes measures to train them. This has improved procurement performance to great extent. This finding agrees with Malaba, Ogolla and Mburu (2018) who found that supply chain practices such as supply chain collaboration has significant impact on procurement performance among public entities in Kenya

Further, regression results using unstandardized beta coefficients show that there exists a positive and significant influence of Supply Chain Collaboration on procurement performance of County Government of Bungoma ( $\beta=0.563$ );

significant at  $p<.01$ ). This implies that increasing Supply Chain Collaboration by a unit leads to 0.563 increase in procurement performance of County Government of Bungoma. The simple linear regression equation for direct influence of Supply Chain Collaboration on procurement performance of County Government of Bungoma is;

$Y = 1.511 + 0.563X_1$  Where:

Y = Procurement performance of County Government of Bungoma

$X_1$  = Supply Chain Collaboration

From the findings supply chain collaboration is significant predictor of procurement performance in County Government of Kakamega. This postulated that having clear policy on supplier relationship and sharing of propriety information with supplier enhances procurement performance. Agyei-Owusu, Asamoah, Andoh-Baidoo and Akaribo (2016) showed relatively higher levels of external collaboration than internal collaboration among surveyed firms, even though internal collaboration had a stronger impact on a firm's procurement performance. Gommans and Kari (2015) investigated influence of Supply Chain Management Practices on the Procurement Performance of Horticulture Companies. The study revealed that the creation of collaborative networks by the organization's managers had enabled the firm's management to make better decisions when

prices changed in Homegrown Horticulture Company, Naivasha, Kenya.

### CONCLUSION AND RECOMMENDATION

County Government relationship with its suppliers is based on mutual understanding and mutual goals, there is standardized means of communication across all functions in county government of Bungoma with their suppliers and there is clear coordination and resource sharing between county government and their suppliers. The study concluded that level of supply chain collaboration has significant positive influence on procurement performance of county Government of Bungoma. There is clear coordination and

resource sharing between county government of Bungoma and their suppliers. This is also evident of standardized means of communication across all functions in between county government of Bungoma and suppliers.

The study recommended that County governments should ensure that is comprehensive framework that would ensure maximum supplier collaboration in the supply chain management as this would enhance procurement performance. This can be achieved by putting in place standardized means of communication across all functions in the county government as well as clear coordination and resource sharing among stakeholders in supply chain.

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