



**FACTORS AFFECTING ACCESS TO GOVERNMENT PROCUREMENT OPPORTUNITIES (AGPO) BY PREFERENCE AND RESERVED GROUPS IN NAIROBI CITY COUNTY, KENYA**

**Wazir, A. A., & Achuora, J.**

**FACTORS AFFECTING ACCESS TO GOVERNMENT PROCUREMENT OPPORTUNITIES (AGPO) BY PREFERENCE AND RESERVED GROUPS IN NAIROBI CITY COUNTY, KENYA**

**Wazir, A. A.,<sup>1\*</sup> & Achuora, J.<sup>2</sup>**

<sup>1\*</sup> Msc. Candidate, Jomo Kenyatta University of Agriculture and Technology (JKUAT), Kenya

<sup>2</sup> Ph.D, Lecturer, Jomo Kenyatta University of Agriculture and Technology (JKUAT), Kenya

**Accepted: July 21, 2020**

**ABSTRACT**

*In Kenya, public procurement is very critical in the success of vulnerable groups. It is on the basis of this background that this study examined the factors affecting preference and reserved groups' access to government procurement opportunities in Nairobi City County, Kenya. The specific objectives of the study were to assess the effect of resources availability, level of information on access of public procurement opportunities, the effect of ethical issues on the access of public procurement opportunities and to explore the effect of technical capability on the access of public procurement opportunities by the preference and reserved groups in Nairobi City County. A descriptive survey research design was adopted with the target population of 941 preference and reserved groups in Nairobi City County. A sample size of 281 was computed by Yamane formula. The study used questionnaires as the main data collection instrument. The study used descriptive statistics to describe the data and inferential statistics. The study findings showed that all the four variables (resource availability, level of information, procurement ethical issues and technical capability) had a positive significant influence on access to government procurement opportunities by preference and reserved groups. The study further established that resource availability had the most influence on AGPO by the preference and reserved groups followed by level of information, public procurement ethical issues, and technical capability respectively. This indicated that AGPO is a function of the four variables in the stated order. Therefore, the study recommended that the relevant government agencies should make resources available, pay attention to procurement ethical issues, make people living with disabilities aware of public procurement opportunities and use technology in the running of procurement function so that more disadvantaged people get access public procurement opportunities.*

**Key Words;** Resources Availability, Level of Information, Ethical Issues, Technical Capability, Access to Government Procurement Opportunities

**CITATION:** Wazir, A. A., & Achuora, J. (2020). Factors affecting access to government procurement opportunities (AGPO) by preference and reserved groups in Nairobi City County, Kenya. *The Strategic Journal of Business & Change Management*, 7(3), 240 – 252.

## INTRODUCTION

Public procurement systems are central to the effectiveness of development expenditure. Budgets get translated into services largely through the public's purchases of goods, services and works (Mahmood, 2010). It is estimated that 18.42% of the world's Gross Domestic Product (GDP) is spent through public procurement (Mahmood, 2010). The public procurement is a vital component of a country's public administration that links the financial system with economic and social outcomes (Schapper & Veiga Malta, 2011). It is seen as an objective and efficient way of contracting between the state and private entities (Schooner, 2012) and is widely used to promote socio-economic development objectives of a nation, such as the economic development of preference and reserved groups, (Arrowsmith, 2010). The state of public procurement greatly determines the governance and performance of community services and cuts across almost every area of planning, program management, and budgeting. It is therefore, an important market in any economy as it consumes a substantial percentage of public revenue of the country (Schapper & Veiga Malta, 2011).

The Public Procurement and Asset Disposal Act 2015 defines the "preference" as the right or opportunity to select tenderer from an identified target group that is considered more desirable than another; and "reservations" as exclusive preference to procure goods, works and services set aside to a defined target groups of tenderers within a specified threshold or region: this group include youths, persons with disability and women for the purposes of access to government procurement opportunities (GoK, 2015). Ensuring that youths, women and persons with disabilities are successfully integrated into the economy through procurement to improve Kenya's competitiveness, raise household incomes, reduce poverty, and create a circle of investment and growth (Gitari & Kabare, 2014).

Worldwide, public procurement attracts a lot of attention. According to (Callendar & Mathews, 2000), this is often because of its size. Most developed nations spend about 20% of gross domestic product (GDP) on public procurement while developing nations spend up to 50% (Schiavo-Campo & Sundaram, 2000). Various countries both in developed and least developed countries have instituted procurement reforms involving laws and regulations. One of the reforms is the compliance to procurement ethical issues. De Boer and Telgen (1998) confirm that compliance to procurement ethical issues positively affects not only the third world countries but also countries in the developed world. This position is further supported by Gelderman, Ghijsen and Brugman (2006) who contend that compliance in public procurement is of great importance in any procurement function. Public procurement is an integral function of governments in both developed and developing countries as the gigantic financial outflows has a great impact on their economies that needs prudent management. Thus, prudent handling of public procurement functions is fundamental to achieving economic, socio-political and other objectives of government (Thai, 2001).

In Australia, resource availability in any procurement process has been adhered to. Resources have been availed and best way to use available assets or resources in the execution of a given project have been determined (Schiavo-Campo & Sundaram, 2000). Companies attempt to allocate resources by minimizing costs and maximizing profits using strategic planning methods, operational guidelines and implement policies and procedures that move the business toward the achievement of its goals (Shantanu et al, 2012). This aspect of making resources available has led to increased accessibility of public procurement opportunities by preference and reserved groups in Australia.

In the United States, Procurement professionals have identified and implemented technology that aides the procurement process and supports the

overall strategy of the organization (Monczka et al., 2005). The technology has created measurable results (linked to Return on Investment) including, reduced transaction costs, improved process efficiency, a reduction or elimination in “maverick spending”, increased contract compliance, improved transparency, reduced cycle times and improved inventory costs De Boer and Telgen (1998). Technology has also increase supplier access to bid opportunities which has result in increased competition, diversity and inclusion of suppliers Gelderman, Ghijsen and Brugman (2006).

In Nigeria, the public procurement has developed policy of stimulating entrepreneurial activities by disadvantaged people owned enterprises (Attaran, 2002). The application of ethical practices objectives through public procurement has developed over years after extensive research (Callerstig, 2014). Moreover, there are plans of increasing the effectiveness, efficiency and transparency of procurement systems to ensure that the disadvantaged people are put into consideration.

In South Africa, preferential treatment is given to the blacks to accommodate group differences, encompass the right to reparation for past inequalities and to uplift vulnerable groups in society. This has been made possible by availing resources, making information available and better technological devices. Similarly, in Malawi, a reservation scheme is currently being applied to the ICT sector for procurement below BWP 300,000 (US\$ 46,000), where the opportunity to bid is reserved for 100% citizen-owned companies (Kennekae, 2010). Routledge and Lomdon (2006) posited that the estimates of the financial activities of government procurement across the world by the youth or disadvantaged groups are believed to be in the order of 10% –30 % of the Gross National Product (GNP). This explains why empowerment programs organized at the national and international levels are increasingly targeting youth and women (Mentzer, et al. 2011).

According to Amemba et al., (2013), public procurement in Kenya plays a major role in the utilization of public resources and achievement of the economic development agenda. In 2013, the Public of Kenya enforced procurement regulations which began the Access to Government Procurement Opportunities (AGPO) program, under the National Treasury Public Procurement Directorate. Preference and reserved and other marginalized groups were allowed to procure 30% of public goods and services in line with Article 2 of the PPDR of 2013 and Article 27 of the Constitution of Kenya, 2010, on equality and freedom from discrimination.

The sole purpose of the AGPO was to ensure that Preference and reserved and discriminated groups actively participate in public procurement. The benefits of registering for the AGPO includes among others: the ability to participate in 30% of public tenders, to qualify for Local Purchase/Service Orders financing from the Youth/PWDs Enterprise Development Fund, exclusion from bid bonds, and invoice discounting with financial institutions.

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

The cabinet secretary for National treasury published public procurement preference and Reservations (Amendment) regulation 2013 (GOK, 2013) with the aim of supporting the special interest groups (women, youth, and persons living with disabilities) through access to government procurement opportunities (AGPO) program (GoK, 2013). The Government went further to ground the program in law which requires all public entities to reserve thirty percent (30%) of their total procurement budget to preference and reserved groups (women, youths and persons living with disabilities), PPADA, 2015, section 157 (5).

The AGPO agenda is to bring the preference and reserved groups (women, youth and people living with disabilities) into the country's socio-economic development framework to help catalyzes the realization of the Kenya Vision 2030, the country development road map ( GoK, 2013) and help realize the United Nations Millennium Development

Goals, 2030 (UN, 2016). However, according to Transparency International, (2015), marginalized groups participation in public procurement is less than ten (10%) percent. Further, a report by the Auditor General indicate that only ten percent (10%) of Kshs 250 billion tenders reserved for the preference and reserved groups have been taken up since the launched of AGPO program (GoK, 2017), creating doubt on the initiative feasibility to realize its objective and contribute to the timely realization of Vision 2030 and MDGs, 2030 (GoK, 2013; UN, 2016).

Additionally, there have been very minimal empirical studies targeting factors affecting access to government procurement opportunities especially by the special and reserved groups in Kenya. It is against this background that this study sought to bridge the knowledge gap by establishing the factors affecting AGPO by the special and reserved groups in Nairobi City County, Kenya.

### **Objective of the Study**

The general objective of this study was to determine the factors affecting access to government procurement opportunities by the preference and reserved groups in Nairobi City County, Kenya. The specific objectives were;

- To assess the effect of resources availability on access to government procurement opportunities by the preference and reserved groups in Nairobi City County
- To determine the effect of level of information on preference and reserved groups access to procurement opportunities in Nairobi City County
- To examine the effect of ethical issues on access to government procurement opportunities by the preference and reserved groups in Nairobi City County
- To explore the effect of technical capability on access to government procurement opportunities by the preference and reserved groups in Nairobi City County

## **LITERATURE REVIEW**

### **Resource based view Theory**

RBV is an economic theory that suggests that firm performance is a function of the types of resources and capabilities controlled by firms (Barney and Hesterly, 2008). According to RBV, firm's abilities allow some firms to add value in customer value chain, develop new products or expand in new marketplace. The RBV focuses on the concept of difficult-to-imitate attributes of the firm as sources of superior performance and competitive advantage (Barney, 1986; Hamel and Prahalad, 1996). A resource is a relatively observable, tradable asset that contributes to a firm's market position by improving customer value or lowering cost (or both); and a capability denotes the ability of a firm to accomplish tasks that are linked to higher economic performance by increasing value, decreasing cost, or both. (Walker, 2004). Barney and Hesterly (2008) also describe resources as tangible and intangible assets a firm uses to conceive of and implement its strategies; and capabilities as a subset of resources that enable a firm to take advantage of its other resources. Eisenhardt & Martin (2000) argues that availability of substitute resources tends to depress returns of the holders of a given resource and this justifies the reason why they should be shielded from competitors.

In relation to this study, the theory relates with the specific objective to establish the influence of resources availability on Preference and reserved groups' access to public procurement opportunities in the Nairobi City County under the framework that public procurement is anchored on a competitive bidding process, embracing transparency and efficiency in the system.

### **Empowerment Theory**

According to Tones and Tilford (2001), Empowerment theory has been identified as a principal theory across various disciplines. Adapted from Zimmerman's (1984) work, Rappaport (1987) adapted it to community psychology studies. Ever since, the theory has found its way into social



studies as a key concept in remedying inequalities and towards achieving better and fairer distribution of resources for communities (Rose, 2001).

According to the theory, empowerment refers to the ability of people to gain understanding and control over personal, social, economic and political forces in order to take action to improve their life situations. It is the process by which individuals and communities are enabled to take power and act effectively in gaining greater control, efficacy, and social justice in changing their lives and their environment. It is a process that fosters power in people, for use in their own lives, their communities, and in their society, by acting on issues that they define as important. (Zimmerman, 2000). In fact, Zimmerman (2000), the originator of this theory, argues that empowered individuals have the characteristics of high self-esteem, self-efficacy, control over their life and increased socio-political and civic access.

According to Maton and Salem's paper, empowerment in general terms is a process enabling people, through participation with others, to achieve their primary personal goals. Such a definition appropriately emphasizes individual motivation but also collective action and allows the process to be examined across a variety of communities, organizations and settings. They apply this framework in an in-depth analysis of three different types of settings; a religious fellowship, a mutual help organization for the severely mentally ill and an Education for urban African Americans.

### **General system Theory**

According to Rudolf (2011), the general systems theory was developed initially by Von Bertalanffy (1969) in the field of biology and extended by Weinberg (1975), Miller (1978) and Yourdon (1989) into paradigms of management. Bertalanffy (1969), a biologist who through his work on general body systems found that given the interaction between a system's components, a system was often more than just the mere sum of its components; it involves the interaction between components, and

subsystems within the larger system. Miller (1978) argued that in most cases, real world systems are open systems which interact with, and are often influenced by the external environment. Another important concept of a system is the definable boundary that separates a system, and the components (Influence) from its environment and allows inputs to and outputs (Preference and reserved groups.) out of the system (Rudolf, 2011).

The performance of the entire procurement system can be seen as a combination of the outputs of different subsystems that make up public procurement in Kenya. The subsystem on preferential procurement, as outlined in this study, is seen as not interacting within the larger procurement system which relates to the specific objective to establish the influence of ethical issues on Preference and reserved groups' access in public procurement opportunities in the Nairobi city county.

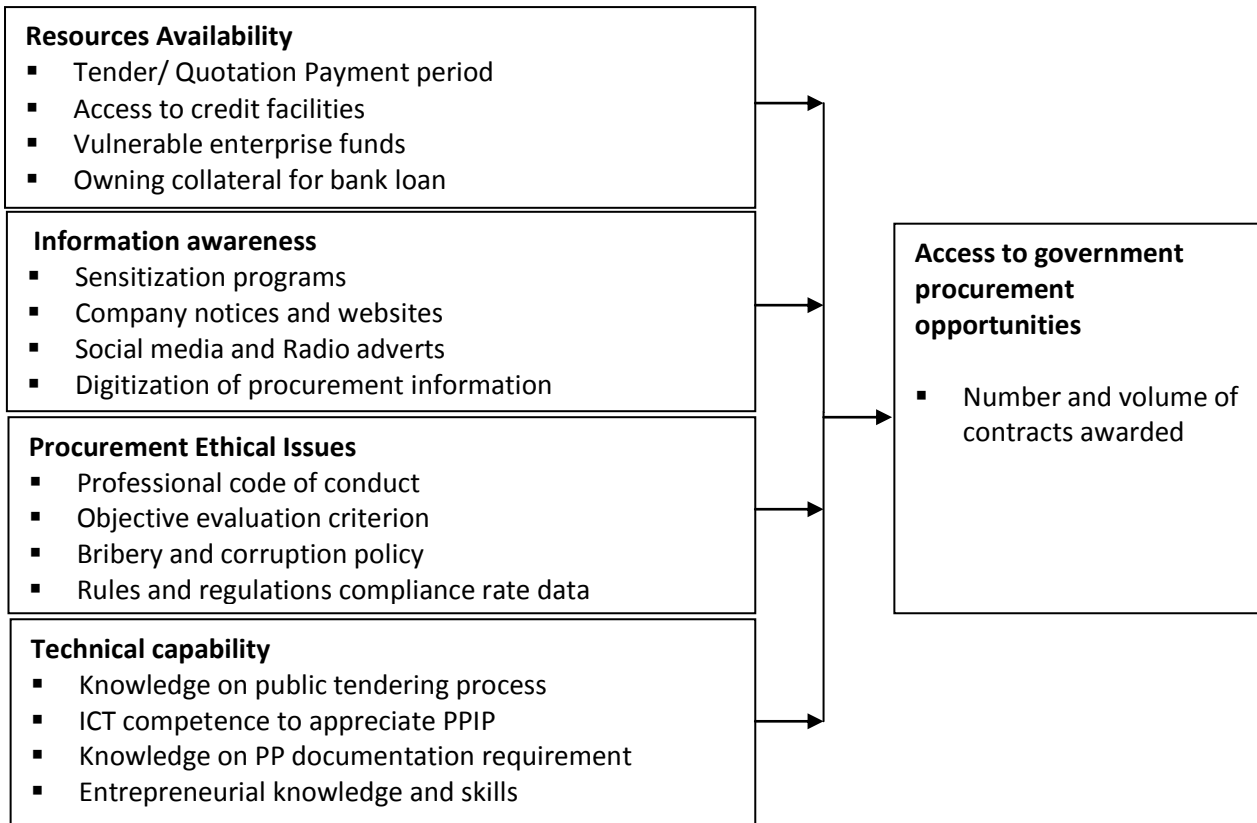
### **Institutional Theory**

Institutional theory is a widely used theory in social studies. Kraft's public policy (2007) summarizes the theory as a policy-making that emphasizes the formal and legal aspect of public structures. It considers processes by which structures, including schemes and rules become established by authoritative figures as guidelines for social behavior. Scott (2008) portends that it explains how the elements are created, diffused, adopted, and adapted over space and time; and how they fall into decline and disuse. Institutions, according to Scott (2004), are transmitted by various types of carriers, including symbolic systems, relational systems, routines, and artifacts. Institutions operate at different levels of jurisdiction, from the world system to localized interpersonal relationships.

In this context, AGPO is entrenched and implemented within the purview of the law, to provide tangible support to the Preference and reserved groups who form above 75% of the population yet facing wide unemployment. However, as this study has established, the rate of success of this institutional agenda is not giving an

impressive output. As Scott (2008) explains, this theory assisted the researcher to understand how the specific objective of determining the influence of Preference and reserved groups. technical capacity on access to public procurement opportunities in the Nairobi city county: the elements of AGPO are created, diffused, adopted,

and adapted over space and time; and how they fell into decline and disuse, for instance due to ethical issues or lack of supportive elements such as finances Preference and reserved groups access to public procurement opportunities could be enhanced by studying the critical success factors that affect implementation of this policy.



**Independent variables**

**Dependent variable**

**Figure 1: Conceptual Framework**

**Empirical Review**

Kimondo, (2012) in a survey in Kigumo district in Muranga County on the study on Challenges Facing youth Entrepreneurs in Kenya, the study identified lack of capital as the main hindrance to youths towards starting businesses and getting meaningful returns. A similar scenario has been witnessed more recently in a survey by treasury. The republic of Kenya launched the Uwezo fund with the initial allocation of 6 billion to fund enterprises and support youth engaged in public procurement opportunities (ROK, 2013).

Ngigi, Wanyoike and Mwangi (2014) did a study on the access of credit facilities as a major factor hindering access to public procurement contract by youth entrepreneurs in the public ministries in olkalou Sub County, in Kenya. The study hypothesized that the major cause of non-access of youth in public procurement was access to credit facility. The study recommended increasing access to credit to youth entrepreneurs to enable them access public procurement contracts.

An empirical study on implementation of preferential access to public procurement opportunities by Gatere & Shale (2014) revealed

that improvements in information communication technology, mostly through internet for buying goods and services using modern quality standards and business practices, provides a good opportunity for public to improve relay of procurement information which greatly enhances access to public procurement. This notion, that improvements in information access can enhance trade prospects by these suppliers more acceptable vendors to global business partners was shared by Nelson (2007) in a study aimed at identifying the challenges faced by global suppliers in accessing global markets.

A study titled "Improving work conditions in global supply chains" by Locke and Romis (2007) acknowledged that public procurement system operates with plenty of interaction between suppliers, buyers and others stakeholders in this case including political stakeholders. Locke and Romis (2007) note that ethics is the basis on which most of the supply chain related principles, such as fairness, integrity and transparency are based. Professional standards of ethical conduct, no matter what the organization, contain typical characteristics, including commitment to behave honorably in all aspects of work and professional activity; conduct oneself in such a manner as to maintain trust and confidence in the integrity of the acquisition process.

A study on procurement relationship between large cooperation and black owned small medium enterprises in South Africa by Herrington and Overmeyer (2006) noted that corporates do not trust Small medium enterprises to have the proper skills and capacity to deliver quality. They found that most corporations deem small entities to have reliability issues. As a solution, the study recommended capacity building in instances of preferential procurement to create a pool of suppliers with the requisite capacity. A similar problem was identified in the United States of America, where small business was found to have capacity problems in undertaking procurement contract as evidenced in the Pearson's survey of American Companies (Watermeyer, 2003).

## METHODOLOGY

This study used descriptive research design, which involved gathering of data that describes events then organizing, tabulating depicting and describing the data. The choice of this research design was influenced by the fact that it enables the researcher to assess the situation in the study area at the time of study. The study populations were youths, women and persons with disabilities in Nairobi City County. A total sample size of 281 respondents was taken with the aid of Yamane (1986) formula:  $n = \frac{N}{(1 + Ne^2)}$ .

Where;

n= Sample size

N =total population

e=Error of tolerance

As such, the sample size was;

$$n = \frac{941}{(1 + 941 * 0.05^2)}$$

$$941 / 3.3525$$

$$n = 281$$

The confidence level was 95% thus giving a margin error of 0.05. The study used stratified random sampling technique in choosing the sample size from the three levels of preference and reserved groups. This research used questionnaire to collect primary data. Descriptive statistics was used to analyze the data in frequency distributions and percentages which was presented in tables and figures. Measures of dispersion were used to provide information about the spread of the scores in the distribution. The study further adopted Multiple Regression Analysis to establish the strength and direction of the relationship between the independent variables and the dependent variable at 5% level of significance.

## FINDINGS AND DISCUSSION

### Resource availability

According to the study findings, tender payment period enable the preference and reserved groups to undertake the contract as shown by (Mean=4.4706, and standard deviation = .81697) Access to credit facilities by the preference and reserved group increases their chances of accessing procurement opportunities as shown by



(Mean=4.6176), and (Standard deviation = .58095). A vulnerable Enterprise fund provides the capacity for most preference and reserved groups to do tendering as shown by (Mean=4.5490), and (standard deviation = .80016). Preference and reserved groups have capital resources to finance the contracts awarded to them as shown by (Mean=4.4706), and (Standard deviation=.58859). From the study findings, access to credit facilities is the most prevalence among the respondents, followed by vulnerable enterprise fund capacity and

lastly are tender payment period and capital resources to finance the contract awarded. This result is tandem with Orodho (2013), who asserts that financial resources are very essential in facilitation of the contract. He also concluded that, the Kenyan public has had an uphill task for preference and reserved groups and special groups at large to play in the big ticket leagues of public procurement as they may not have the financial wherewithal.

**Table 1: Resource availability**

Statement	Mean	Std. Deviation
Tender payment period	4.4706	.81697
Access to credit facilities	4.6176	.58095
Vulnerable Enterprise funds	4.5490	.80016
Capital resources to finance the contracts awarded	4.4706	.58859

#### Information Awareness

The results of the study showed that Sensitization programs helps in sensitizing the preference and reserved on government procurement opportunities as shown by (Mean=4.6275) and (Standard deviation= .72353). Also, advertisement done by the public on their websites and notices is accessible to Preference and reserved groups. (Mean=4.5784), and (standard deviation = 0.83126). Respondents agreed that Preference and reserved groups can access the information on the social media and other platforms such as internet (Mean=4.5000), and (standard deviation = 90855). Concisely, all adverts meant for Preference and reserved groups are nationally advised through print media and radio and televised advert for easy access (Mean=.4.3627), and (standard deviation =.92236). As per the study findings, sensitization

program is the most prevalence among the preference and reserved groups in accessing government procurement opportunities. Advertisement on websites and notices is the second most prevalence among the preference and reserved groups in accessing government procurement opportunities. Information on the social media is the third most prevalence among the preference and reserved groups in accessing government procurement opportunities and lastly, print media, radio and televised advert is the least prevalence among preference and reserved groups in accessing government procurement opportunities. These results collaborate previous findings by (Saleem, 2014) who conclude that information awareness is essential in any business opportunities.

**Table 2: Information Awareness**

Statement	Mean	Std. Deviation
Sensitization programs	4.6275	.72353
Company notices and websites	4.5784	.83126
Social media and Radio Adverts	4.5000	.90855
Digitization of Procurement information	4.3627	.92236

### Procurement Ethical Issues

Research results revealed that Professional code of conduct influences the Preference and reserved groups access to procurement opportunities as shown by a (Mean=4.5980), and (standard deviation = .70724), further results showed that Objective evaluation criterion influence the award of tenders to the Preference and reserved groups' (Mean=4.4020), and (standard deviation = .70544). Additionally, the results revealed that, Bribery and corruption policy is a factor affecting Preference and reserved groups Access to procurement opportunities (Mean=4.3137), and (standard deviation =.70724). Concisely, the study findings

found out that procurement rules and regulations are not adhered to (Mean=4.2941) and (standard deviation= .77050). As per the study findings, objective evaluation criterion is the most prevalence among the preference and reserved groups in accessing government procurement opportunities followed by professional code of conduct. The results findings correspond with the Orodho (2013), who suggested that, unless procurement malpractices are sorted out in the public institutions, access to public procurement opportunities would be difficult for the special groups

**Table 3: Procurement ethical issues**

Statement	Mean	Std. Deviation
Professional code of conduct	4.5980	.70724
Objective evaluation criterion	4.4020	.70544
Bribery and corruption policy	4.3137	.70724
Rules and regulation compliance rate data	4.2941	.77050

### Technical capability

The study results revealed that a knowledge on public tendering process enhances access to public procurement opportunities as shown by (Mean=4.6863), and (standard deviation = .82478) it also concludes that ICT competence to appreciate PPIP influences access to government procurement opportunities (Mean=4.6765), and (standard deviation =0.83824). Also Knowledge on public procurement documentation requirement is paramount in enhancing access to government procurement opportunities as shown by (Mean=4.5392), and (standard deviation =.93238), in conclusion, the study revealed that

entrepreneurial knowledge/skills influence access to government procurement opportunities (Mean 4.118) and (standard deviation = .94614). From the study findings, knowledge on public tendering was the most prevalence among the respondents, followed by ICT competence to appreciate PPIP, Knowledge on public procurement documentation and sufficient entrepreneurial skills in that order. These findings agree with (Nyamari, 2017) the results showed that all the technical capability requirements in the organization requires strong collaboration between the top management, procurement department and the user department to assist in simplifying the technical itches.

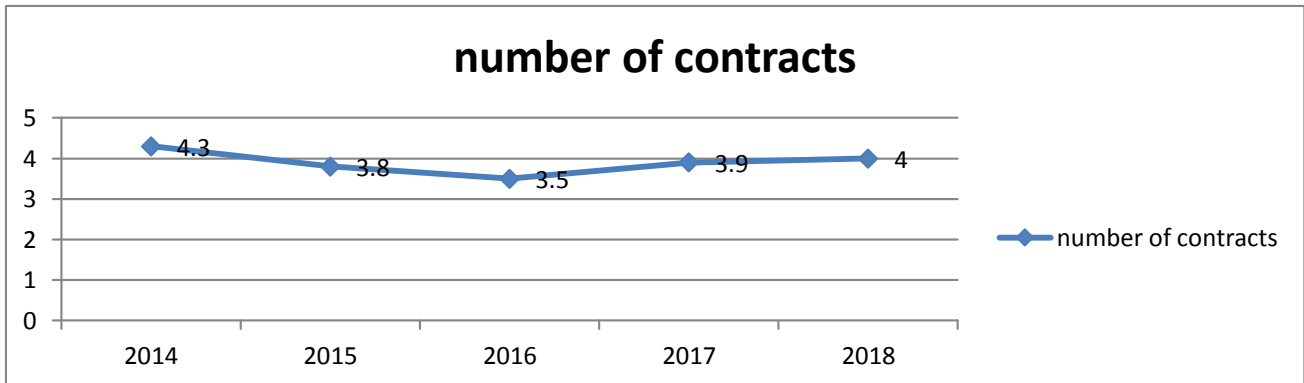
**Table 4: Technical Capability**

Statement	Mean	Std. Deviation
Knowledge on public tendering process	4.6863	.82478
ICT competence to appreciate PPIP	4.6765	.83824
Knowledge on Public Procurement documentation	4.5392	.93238
Entrepreneurial Knowledge/skills	4.118	.94614

**Access to public procurement opportunities in Nairobi City County**

The study sought to determine the access to public procurement opportunities in Nairobi City County. This was presented on a graph showing the volume

contracts awarded to preference and reserved groups from the year 2014 to 2018. From the graph, it was evident that the volumes of contracts have not been consistent from 2014 to 2018.



**Figure 2: Access to public procurement opportunities**

**Inferential Statistics  
Regression Analysis**

A multiple regression analysis was conducted to test the relationship between independent variables and the dependent variable. Regression

method is useful due to its ability to test the nature of influence of independent variables on multiple dependent variables.

**Table 5: Model Summary**

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.919 <sup>a</sup>	.844	.838	.52097

a. Predictors: (Constant), resource availability, level of information, procurement ethical issues, technical capability.

The regression model adopted by this study explained 84.4% of the variability in the data. This was indicated by the R Square value of 0.844 which showed that the data closely lies around the fitted regression line. The Adjusted R Squared Value of 0.838, which was less than the R-Squared Value,

showed how well the model generalizes the relationship between the variables. In this study was deduced that only 83.8% of variation in the data was explained by the independent variables that actually affect the dependent variable.

**Table 6: Analysis of Variance**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	165.670	4	41.417	314.671	.000 <sup>a</sup>
	Residual	30.669	233	.13162		

a. Predictors: (Constant), resource availability , level of information, procurement ethical issues, technical capability

b. Dependent Variable: Access to public procurement opportunities

As shown Analysis of Variance (ANOVA), an F-test Value of 314.671, P<0.05 was obtained. The P value of less than 0.05, showed that there was overall

significant relationship between all the independent variables and the dependent variable of the study.

**Table 7: Regression Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.
1(Constant)	1.787	.845		2.116	.037
Resource availability	1.418	.062	1.036	22.803	.000
Level of information	1.041	.448	.261	2.325	.022
Procurement ethical issues	.197	.481	.046	.409	.027
Technical capability	.098	.440	.027	.224	.002

a. Dependent Variable: access to public procurement opportunities.

Based on the study findings, the study results, Equation model becomes

$$\text{Access to public procurement opportunities} = 1.787 + 1.418 X_1 + 1.041 X_2 + 0.197 X_3 + 0.098 X_4$$

**Discussion of Findings**

The coefficient of resource availability was ( $\beta=1.418$ ,  $p=0.000$ ,  $<0.05$ ) showed a statistically significant relationship between resource availability and access to government procurement opportunities. The results implied that a unit increase in resource availability indicators such as tender payment period, access to credit facilities, enterprise fund capacity and capital resources to finance the contracts awarded would result to an increase of 1.418 units in access to government procurement opportunities. Similarly, Vorster (2013) study concluded that due to the limited resources availability and the competitive nature of public procurement process, access to public sector contracts by smaller entities is often seen as a challenge. Ngigi, Wanyoike and Mwangi (2014), agrees with the findings that access of credit facilities is a major factor hindering access to public procurement contracts by youth entrepreneurs in public ministries in Ol-kalou sub-county.

The coefficient of information awareness was ( $\beta=1.041$ ,  $p=0.022$ ,  $<0.05$ ) showed a statistically

significant relationship between information awareness and access to government procurement opportunities. The results implied that unit increase in information awareness indicators such as sensitization programs, advertisement on websites and notices, information on the social media and digitization of procurement information, would results to an increase of 1.041 units in access to government procurement opportunities. This finding conforms to those of Oganda (2008) who found out that Primary source of tender information in Kenya include the tender notices placed in the newspapers. However, given the financial constraints faced by some of the procuring entities, these notices are generally posted only once.

The coefficient value of procurement ethical issues and access to government procurement opportunities was ( $\beta=0.197$   $p=0.027$ ,  $<0.05$ ) this showed statistically significant relationship between procurement ethical issues elements such professional code of conduct, objective evaluation, bribery and corruption, rules and compliance rate data and access to government procurement opportunities. The results are tandem with the research done by Lockie and Romis, (2007)who found out that professional standards of ethical

conduct no matter what the organizations contain typical characteristics.

The coefficient of technical capability was ( $\beta=0.098$ ,  $p=0.002$ ,  $<0.05$ ) showed a statistically significant relationship between technical capability and access to government procurement opportunities. The results implied that a unit increase in technical capability indicators such knowledge on public tendering, ICT competency to appreciate PPIP, knowledge on public procurement documentation and entrepreneurial capability, would result to an increase of 0.198 units in access to government procurement opportunities. This agrees with Obada (2011) who emphasized that training of participants in public procurement process could raise their technical understanding of public procurement process and thus result in stimulate increase in the number of small medium enterprises accessing and winning contracts.

The regression coefficients obtained showed significant t-test values ( $P<0.05$ ) for each of the independent variables (resource availability  $t=22.803$ ,  $P<0.05$  thus this being the most significant Variable ( $t=22.803$ ); level of information  $t=2.325$ ,  $P<0.05$ ; procurement ethical issues,  $t=0.409$ ,  $P<0.05$  and; technical capability,  $t=0.224$ ,  $P<0.05$ ). This shows that all the variables have significantly relationship with the dependent variable (access to public procurement opportunities).

## **CONCLUSIONS AND RECOMMENDATIONS**

The study concluded that access to credit facilities for Preference and reserved have ensured their access to procurement opportunities. The study also concluded that resources availability is responsive to aspirations, expectations and needs of preference and reserved groups exemption from paying tender securities has seen many preference and reserves groups' take up public tenders.

The county had not put in place adequate platforms to ensure procurement information is helpful to preference and reserved groups. Moreover, the study concludes that the playing field for

preference and reserved in public tenders is not level.

Moreover, the study concluded that most preference and reserved are not well acquainted with procurement lingo and procedures. The procurement ethical issues in the county public is still a problem, the professionalism of procurement officers is still questionable since most of the officers have been subjected to corruption allegations and other procurement malpractices.

The study concluded that knowledge on public tendering, information communication technology to appreciate PPIP among the preference and reserved groups enables access to government procurement opportunities. Also, sufficient technical resources are essential in enhancing access to government procurement opportunities.

Study recommended that preference and reserved should be given more affordable options by public institutions and private to access financing to enable them participate in tenders. Public funding through preference and reserved enterprise and Uwezo funds should be expanded in terms of limits and enhanced to adequately build the financial capacity of preference and reserved to participate in public tenders

Capacity sensitization programs on the procurement process should be put in place to empower more preference and reserved. Preference and reserved entrepreneurs should be more sensitized to access information on public tenders to enhance their participation levels.

The study recommended that transparency and accountability measures in procurement process should be enhanced to encourage more participation by Preference and reserved. Preference and reserved needs and expectations should be prioritized in procurement procedures to encourage them to participate more.

Government agencies and oversight authorities act promptly on preference and reserved group feedback to withhold public officials and



contractors to account for any irregularities. There is also a need to establish a stand-alone independent agency to monitor, evaluate and report the performance and impact of Access to Government Procurement Opportunities (AGPO).

### **Areas for Further Research**

Existing literature indicated that there is need to undertake similar research in other Counties in Kenya and other countries in order to establish whether the explored factors herein can be generalized to influence the access to public procurement opportunities.

### **REFERENCES**

- Callendar, G., & Mathews, D. (2000). Public Purchasing: An Evolving Profession? *Public Budgeting, Accounting & Financial Management*, 272-290.
- Carter, C. R. (2000). Ethical Issues in International Buyer-supplier relationships:a dyadic examination. *Operations Management* .Chopra, S., & Meindl's. (2001). *Supply Chain Management: Strategy, Planning, and Operation*. India: Prentice Hall.
- Gitari, M. W., & Kabare, K. (2014). Factors affecting access to procurement opportunities in public secondary schools by small and medium enterprises in Kenya:A survey of Limuru Sub-county. *International Journal of Current Business and Social Sciences* .
- Herrington, M., & Overmeyer, T. (2006). Procurement relationship between large corporations and mainly black owned SMEs in S.A. ECI Africa LTD.
- Ibuathu, C. N., & Kubaison, S. T. (2013). Realizing equal opportunities among youth .s in accessiing public financial credit facilities. *International Journal of Social Sciences and Entrepreneurship* , 1 (7), 699-712.
- Kimondo, F., M. (2012). The Challenges Facing youth Entrepreneurs: A Case of Kenya. *International Journal of Business Administration Vol. 3, No. 2, pp. 112-121*
- Kraft, M., & Scott, F. R. (2007). *Public Policy:politics, analysis and alternatives*. Washington.
- Locke, R., & Romis, M. (2007). Improving Work conditions in Global Supply Chains. *MIT Sloan Management* , 53-62.
- Martini, M. (2012). Kenya:Overview of Corruption and anti-corruption. Retrieved 2015, from [www.u4.no](http://www.u4.no)
- Prahalad, C.K. and Hamel, G. (1996). *Competing for the future*. Boston MA: Harvard Business School Press.
- ROK. (2013) Economic recovery for wealth and employment creation (2003-2007) Nairobi: Public Printers
- Rudolf, S. (2011). *Systems Theory*. New York: Sage.
- Tones, K., & Tilford, S. (2001). *Heath Promotion: Effectiveness, Efficiency and Equity* . Cheltenham,UK: Nelson Thornes Ltd.
- Watermeyer, B. R. (2003). Implementation of referential procurement in public sector in S.A. *Journal of south Africa institute of civil engineering* , 45 (3).
- Zimmerman, M. A. (2000). Empowerment theory: Psychological, organizational and community level of analysis.