



INFLUENCE OF PROCUREMENT ETHICS ON PROCUREMENT PERFORMANCE IN STATE CORPORATIONS IN KENYA

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ABSTRACT

The study focused on analyzing the influence of procurement ethics on procurement performance in state corporations in Kenya. Descriptive research design was used for the study with questionnaire as the main data collection instrument. Both quantitative and qualitative methods of data analysis was used to analyze the gathered data. The quantitative data generated was analyzed by use of descriptive statistics feature in SPSS to generate information which was presented using tables, frequency distribution table and percentages and inferential statistics to make predictions or inferences about the population from observations and analyses of sample. The regression model was used to show the relationship between the dependent variable and the independent variables. It was notable that there exists strong positive relationship between the independent variables and dependent variable. The study targeted a sample size of 187 respondents. A Cronbach's Alpha of above 0.7 was obtained and this indicated the validity of data collection instruments. The study recommended that fairness and impartiality should be demonstrated in the procurement process thus leading to improved quality of goods procured, political and outside influence was being experienced in the procurement process affecting reduction of procurement costs and should be prevented. The personal interests at the various stages of procurement process affect quality of goods procured in the organization and should be managed. The study recommended that the organization employ procurement and supply management from the recognized institutions to enhance timely delivery of goods and services. The organization procurement professionals acknowledge and device strategies for managing complex challenges should be improved to reduce procurement costs, there should be a requirement to educate professionals and equip them with new and higher-level skills to have reduced procurement costs. The study recommended that further area of study to be conducted on influence of procurement ethics on procurement performance in the private sectors in Kenya. The study also recommended that further area of study to be conducted on influence of procurement ethics on procurement performance using different variables.

Key Words: Conflict of Interest, Professionalism, Transparency, Accountability, Procurement Performance

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INTRODUCTION

Ethics are the moral principles or values that guide officials in all aspects of their work. Ethical behavior encompasses the concepts of honesty, integrity, probity, diligence, fairness, trust and respect. Ethical behavior includes avoiding conflicts of interest, and not making improper use of an individual's position (Palmer & Butt, 2005). Ethical behaviour supports openness and accountability in procurement with the result that suppliers have confidence in participating in the Government marketplace. It also reduces the cost of managing risks and enhances trust in public administration (Agaba & Shipman, 2009).

Some countries, however, have initiated measures to enhance ethical standards and undertaken specific efforts to improve integrity in the area of defence procurement, which often requires the use of non-competitive procedures to keep national security interests confidential (World Bank, 2010). Many Africa countries have put forward ethical standards in the form of a code of conduct or ethics for the public service to ensure transparent implementation and administration of public procurement procedures (Organization for Economic Co-Operation and Development, 2009).

According to research done by Raymond & Jeanette, (2008) titled public procurement reform in developing countries: the Ugandan experience, procurement in Uganda consists 70% of the national budget and yet according to the inspector general of government 90% of complaints about corruption in the office are procurement related, and according to the (African pear report 2006) public sector losses 268.6 million dollars directly due to unethical practices. In 2005 procurement audit carried out by the public procurement and disposal authority in Uganda out of the 322 contracts audited only 7 of the contract were clean that is only 2% of the contract reviewed.

According to the Kenya Public Procurement and Oversight Authority (PPOA), (2007) unethical practices in public procurement are non-enforcement of law, lack of transparency and

accountability, breakdown or erosion of values and norms, weak management systems, procedures and practices, lack of professional integrity, greed and abuse of discretionary power. Edward, (2009) states that procurement corruption can take place at every stage in the contracting process: at the first instance, a corrupt agent can inflate demand or create artificial demand for goods and services. The agent may also distort the allocation of scarce budgetary resources for purchasing these goods or services.

In the past decades, the public procurement system in Kenya has undergone significant developments (Kenya Public Procurement and Oversight Authority, 2007). From being a system with no regulations in the 1960s, and a system regulated by Treasury Circulars in the 1970s, 1980s and 1990s, the introduction of the Public Procurement and Disposal Act (PPDA) of 2005 and the Procurement Regulations of 2006 has introduced new standards for public procurement in Kenya. These laws ensure that the public sector buyers conduct purchasing in a way that satisfies probity and accountability requirements (Kenya Public Procurement and Oversight Authority, 2007). The Kenya Constitution section 227 (1) states that when a State organ or any other public entity contracts for goods or services, it shall do so in accordance with a system that is fair, equitable, transparent, competitive and cost-effective (National Council of Law Reporting, 2010).

Statement of the Problem

Effective application of procurement ethics is a major challenge facing many state organizations around the world (Edgar, 2006). A similar observation was made again by Kenya Anti-Corruption Committee, (2010) survey with a large number of the respondents 54.3% stating that the public Sector is the most corrupt sector that is involved in unethical practices, further, 35.8% of the respondents ranked state corporations as the most failing on ethical issues.

Correspondingly, 27.5% of the respondents perceived state corporations to have issues with

conflict of interest, professionalism, transparency and accountability. Further, the Global Corruption Report (2011) cites Kenya's state corporations as having issues with conflict of interest, lacking accountability mechanisms, transparency and professionalism resulting to abuse and misappropriation of the funds meant to alleviate disease. Addressing such ethical issues would lead to savings that can be directed to health care improvement and other poverty reducing programmes in Kenya. From the aforementioned findings generated concern and provoked the need to undertake a more critical and in-depth study of the procurement ethics in the state corporations of Kenya so as to understand the extent to which ethical issues influence procurement performance in state corporations in Kenya.

Objectives of the Study

The aim of the study was to establish the influence of procurement ethics on procurement performance in the state corporations in Kenya. The following were the specific objectives of the study:

- To evaluate the effect of conflict of interest on procurement performance in the state corporations in Kenya
- To establish the influence of professionalism on procurement performance in the state corporations in Kenya
- To establish the influence of transparency on procurement performance in the state corporations in Kenya
- To examine the effect of accountability on procurement performance in the state corporations in Kenya

LITERATURE REVIEW

Game Theory

Game theory argues that many economic decisions involving more than one actor (e.g. a buyer and a supplier) take the form of a sequential, strategic game involving anticipation by one player of the other player's actions (Mahmood, 2010). Games such as the Prisoner's Dilemma have been used to show how co-operative behavior becomes more likely if two actors interact with one another on a

repeated basis. This is because repeated interactions enable them to get to know each other, to build trust and to overcome the lack of information available in a one-off interaction about the other party's likely behavior (Agaba & Shipman, 2009).

The Resource-Based View Theory

The resource-based view of the firm emphasizes that valuable, rare, imperfectly imitable, and non-substitutable firm's resources result in competitive advantage (Bolton, 2006). These resources can consist of assets, capabilities, organizational processes, information, etc. and are classified into tangible and intangible resources (Brammer & Walker, 2011). The theoretical mainstays are that resources that are entirely controlled or owned by the focal organization should be cultivated in order to enhance their contribution to the organization's competitive advantage in its industrial context (Raymond, 2013).

The RBV extends the resource-based view by highlighting that professionalism in carrying out procurement function might be a constraining factor impacting sustainable procurement performance and accordingly suggest that firms with competent procurement staff generate more sustainable procurement performance than others (Wanyama, 2013). This theory link research question: To what extent does professionalism affect procurement performance in public hospitals in Kenya?

Compliance Theory

According to Kal Raustiala (2010), compliance theory is an approach to organizational structure that integrates several ideas from the classical and participatory management models. According to compliance theory, organizations can be classified by the type of power they use to direct the behavior of their members and the type of involvement of the participants.

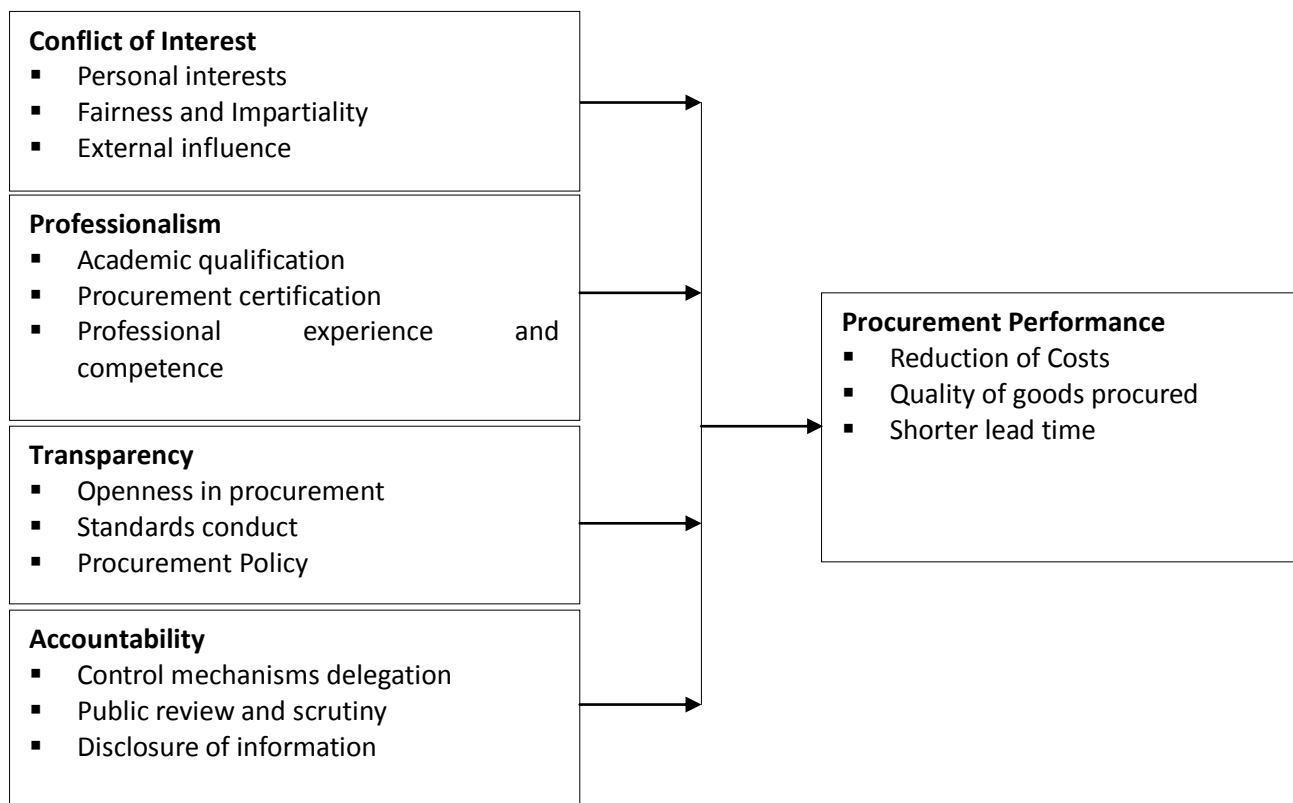
In most organizations, types of power and involvement are related in three predictable combinations: coercive-alienative, utilitarian-

calculative, and normative-moral. Of course, a few organizations combine two or even all three types. When an organization employs coercive power, participants usually react to the organization with hostility, which is alienative involvement. Utilitarian power usually results in calculative involvement; that is, participants desire to maximize personal gain. Finally, normative power frequently creates moral involvement; for instance, participants are committed to the socially beneficial features of their organizations.

Some organizations employ all three types of power, but most tend to emphasize only one, relying less on the other two. Power specialization occurs because when two types of power are emphasized simultaneously with the same participant group, they tend to neutralize each other (Raustiala, 2010).

The Principal-Agent Theory

The principal agent theory as advocated by Cohen *et al.*, (2003) explains that procurement managers in public sector play a relationship role. But his findings are based on the buyer/supplier relationship and the need of the buyer, as the principal, to minimize the risks posed by the agent. The author argued that procurement managers including all civil servants concerned with public procurement must play the agent role (Brammer & Walker, 2011). Therefore procurement managers take on the role of agent for elected representatives. The principal-agency theory holds that shirking is likely to occur when there is some disagreement between policy makers and the bureaucracy. The democratic perspective focuses on responsiveness to citizens and their representatives (Cronbach, 2011).



Independent Variables

Dependent Variable

Figure 1: Conceptual Framework

Empirical Review

Wanyama, (2013) conducted a research on public procurement ethics in the Less Developed Countries (LDCs) through the Norwegian Agency for Development Co-operation (NORAD) platform. The research established that the public procurement unethical behaviors manifest in terms of direct conflict of interests. In this sense, the research established that the causes of unethical issues in public procurement. Hunja, (2011) carried out seven studies using experimental and naturalistic studies in the United States of America (USA) on the factors that affect ethical standards in the public sector. The studies revealed that upper-class individuals behave more unethically than lower-class individuals (Jeppesen, (010). In this sense, the unethical attitudes of the upper class breeds unethical behaviour in the public sector procurement.

Organizations for Economic Cooperation and Development, (2009), study posited that enhancing professionalism in public procurement requires not only management procedures but also a clear set of values and ethical standards clarifying how to achieve these objectives. According to Patrick, (2010) study the buyer should follow ethical principles in order to build his own reputation and that of his organization. He can purchase everything but cannot buy either reputation for reliability. He asserts that these two can built by his professional ethics, moral s character wisdom and integrity. Since the buyer controls the purse of his organization as a custodian, the management expects that he will be fair, honest and dignified in his dealings. He is expected to follow ethical approach to the problem of purchasing (Shu *et al.*, 2011).

According to Lysons (2006), study indicated that ethical issues are provisions of practical help and advice, prompt payment, honesty and openness to supplier and his representative. Honesty and openness are opposite of deception (Robert & Raymond, 2006). They assert that party's intention to create or perpetuate a false belief in another

party amounts to deception. The same writers identified four types of bluffing that some purchasing agents may adopt on the premise that, in negotiations, their responsibility is to obtain the best possible price, quality and delivery and that deception and manipulation of the supplier is unacceptable means of achieving the desired end.

Kinyanjui, (2012) study indicated that accurate written records of the different stages of the procurement procedure are essential to maintain accountability, provide an audit trail of procurement decisions for controls, serves as the official records in cases of administrative or judicial challenge and provide an opportunity for citizens to monitor the use of public fund. Obanda, (2010) in his study on "how business bribes damage developing countries is to provide an information system that can keep all parties of the procurement process accountable for their actions and help track further irregularities in the process. These various studies as discussed in this section clearly show that accountability promotes good public procurement system.

METHODOLOGY

The study employed descriptive research design because it is an excellent way of finalizing results and proving or disproving a hypothesis. The population of the study was 187 chief procurement officers drawn from the Kenyan State Corporations as per December, 2018. The study was conducted through a census on the total target population since the number of targeted population was small. The study used primary form of data. To ascertain the primary data from various respondents the study used self-administered questionnaires. Primary data was collected using questionnaires which were administered by the researcher with the help of research assistant. Both quantitative and qualitative techniques were used. The data obtained from the research instruments was analyzed by use of descriptive statistics (frequencies and percentages) as well as inferential statistics. The Statistical Package for Social Sciences (SPSS) computer software version 22 was used specifically

for the purpose of analyzing the quantitative data and presenting it. The study used inferential statistics. The multiple regression model was used to show the relationship between the dependent variable and the independent variables. The model was given as follows;

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

Where:

Y=Procurement performance

β_0 =Constant of Regression

X_1 = Conflict of Interest

X_2 = Professionalism

X_3 = Transparency

X_4 = Accountability

ϵ = Error of Regression

FINDINGS

Descriptive Statistics: Conflict of Interest

The study sought to evaluate the effect of conflict of interest on procurement performance in the state corporations in Kenya.

Table 1: Conflict of Interest

Descriptive Statistics

	N	Mean	Std. Deviation
The personal interests at the various stages of procurement process affect quality of goods procured in the organization	150	3.7067	.97998
Lack of clear definition conflict of interest issues for the officials involved in procurement process hinder reduction of procurement costs	150	3.7667	.96528
Personal interests act exclusively in the procurement process thus enhanced quality of goods procured	150	3.52667	1.218959
Fairness and impartiality is demonstrated in the procurement process thus leading to improved quality of goods procured	150	3.4067	1.31127
Political and outside influence is being experienced in the procurement process affecting reduction of procurement costs	150	3.60000	1.158569
The personal interests at the various stages of procurement process affect quality of goods procured in the organization	150	2.313	.7431
Valid N (listwise)	150		

The study established that majority of the respondents agreed with the study variables where the personal interests at the various stages of procurement process affect quality of goods procured in the organization has a mean of 3.7067, lack of clear definition conflict of interest issues for the officials involved in procurement process hinder reduction of procurement costs mean of 3.7667, personal interests act exclusively in the procurement process thus enhanced quality of goods procured mean of 3.52667, fairness and impartiality is demonstrated in the procurement

process thus leading to improved quality of goods procured 3.4067, political and outside influence is being experienced in the procurement process affecting reduction of procurement costs mean of 3.60000, the personal interests at the various stages of procurement process affect quality of goods procured in the organization mean of 2.313,

Professionalism

The study sought to establish the statement of professionalism on procurement performance in the state corporations in Kenya.

Table 2: Professionalism

	N	Mean	Std. Deviation
The procurement staff have been certified by the professional body thus there is quality of procured goods and services in the organization	150	4.0867	1.28980
There is a continuous testing of staff competence which enhance diversity of procurement functions to increase efficiency and effectiveness in the procurement process	150	3.2200	.83441
The organization employs procurement and supply management from the recognized institutions to enhance timely delivery of goods and services	150	4.19	1.206
The organization procurement professionals acknowledge and device strategies for managing complex challenges thus reduction of procurement costs	150	3.2933	1.10245
There is a requirement to educate professionals and equip them with new and higher-level skills to have reduced procurement costs	150	4.1800	.61382
Valid N (listwise)	150		

Majority of the respondents agreed with the statement, the procurement staff have been certified by the professional body thus there is quality of procured goods and services in the organization had a mean of 4.0867, there was a continuous testing of staff competence which enhance diversity of procurement functions to increase efficiency and effectiveness in the procurement process had a mean of 3.2200, The organization employed procurement and supply management from the recognized institutions to enhance timely delivery of goods and services had a

mean of 4.19, the organization procurement professionals acknowledge and device strategies for managing complex challenges thus reduction of procurement costs with a mean of 3.2933, there is a requirement to educate professionals and equip them with new and higher-level skills to have reduced procurement costs had a mean of 4.1800.

Transparency

The study sought to establish the statement of transparency on procurement performance in the state corporations in Kenya

Table 3: Descriptive Statistics

	N	Mean	Std. Deviation
Transparency	150	4.8333	.63897
The organization adhere to the higher standards conduct by ensuring there is open to scrutiny to enhance quality of goods and services procured	150	4.0867	1.28980
The organization has adopted anti-corruption practices in improving value for money thus reduction of procurement costs	150	3.4467	.97991
The rules which govern the procurement procedures are clearly defined and easily verified to ensure quality of goods and services procured	150	2.4933	1.60011
There is no discriminatory policies upon the purchasing decisions thus quality and timely delivery of goods and services procured	150	3.4800	1.14529
There is open bidding procedures, prompt disclosure of the results to enhance transparency in the procurement process in the organization	150	4.3000	.59922
Valid N (listwise)	150		

The study indicated that the organization adhere to the higher standards conduct by ensuring there is open to scrutiny to enhance quality of goods and services procured had a mean of 4.0867, the

organization has adopted anti-corruption practices in improving value for money thus reduction of procurement costs had a mean of 3.4467, the rules which govern the procurement procedures are

clearly defined and easily verified to ensure quality of goods and services procured 2.4933, there is no discriminatory policies upon the purchasing decisions thus quality and timely delivery of goods and services procured had a mean of 3.4800, there is open bidding procedures, prompt disclosure of the results to enhance transparency in the

procurement process in the organization had a mean of 4.3000.

Accountability

The study sought to establish the effect of accountability on procurement performance in the state corporations in Kenya.

Table 4: Accountability Descriptive Statistics

	N	Mean	Std. Deviation
Accountability	150	4.8667	.53928
The procurement staff show the commitment to a high standards for professional conduct in the procurement process	150	3.8867	1.34881
The procurement staff show clear chain of responsibility on handling procurement related challenges	150	3.98667	1.117203
There are adequate control mechanisms handling complaints from suppliers to enhance quality of goods and services procured	150	3.41	1.769
There is always public review and scrutiny of organization procurement actions to enhance reduction of procurement costs and quality of goods and services procured	150	3.9400	1.26507
There is disclosure of information and instating participatory monitoring systems to enhance reduction of procurement costs, quality and timely delivery of procured goods and services	150	4.5000	.63192
Valid N (listwise)	150		

The study found that the procurement staff showed the commitment to a high standards for professional conduct in the procurement process had a mean of 3.8867, the procurement staff show clear chain of responsibility on handling procurement related challenges had a mean of 3.98667, there are adequate control mechanisms handling complaints from suppliers to enhance quality of goods and services procured had a mean of 3.41, there is always public review and scrutiny of organization procurement actions to enhance reduction of procurement costs and quality of goods and services procured had a mean of 3.9400, there is disclosure of information and instating participatory monitoring systems to enhance reduction of procurement costs, quality and timely delivery of procured goods and services had a mean of 4.5000.

Inferential Statistics

The results for inferential analysis of the Pearson Correlation and Multiple Regression, including

Analysis of Variance (ANOVA) and determination of coefficient.

Correlations Analysis

A strong or high correlation means that two or more variables have a strong relationship with each other while a weak or low, correlation means that the variables are hardly related. Correlation coefficient can range from -1.00 to +1.00. The value of -1.00 represents a perfect negative correlation while a value of +1.00 represents a perfect positive correlation. A value of 0.00 means that there is no relationship between variables being tested Orodho (2003). The most widely used types of correlation coefficient is the Pearson R which is also referred to as linear or product-moment correlation.

The coefficient is calculated by taking the covariance of the two variables and dividing it by the product of their standard deviations. A value of +1.00 implies that the relationship between two variables X and Y is perfectly linear, with all data

points lying on a line for which Y increases and X increases. Conversely a negative value implies that

all data points lie on a line for which Y decreases as X increases (Orodho, 2003).

Table 5: Correlations

Correlations

		Procurement performance	Conflict of Interest	Professionalism	Transparency	Accountability
Procurement performance	Pearson Correlation	1	.438**	.141	.696**	.299**
	Sig. (2-tailed)		.000	.084	.000	.000
	N	150	150	150	150	150
Conflict of Interest	Pearson Correlation	.438**	1	.723**	.643**	.530**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	150	150	150	150	150
Professionalism	Pearson Correlation	.141	.723**	1	.369**	.597**
	Sig. (2-tailed)	.084	.000		.000	.000
	N	150	150	150	150	150
Transparency	Pearson Correlation	.696**	.643**	.369**	1	.675**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	150	150	150	150	150
Accountability	Pearson Correlation	.299**	.530**	.597**	.675**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	150	150	150	150	150

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

Correlation was significant was established as follows conflict of Interest and procurement performance Pearson Correlation was .438** and Sig. (2-tailed) .000. Professionalism and procurement performance Pearson Correlation was .141 and Sig. (2-tailed) .084. Transparency and procurement performance Pearson Correlation was .696**and Sig. (2-tailed).000. Accountability and procurement performance Pearson Correlation was.299** and sig. (2-tailed) .000.

Regression model Summary

R-squared is a statistical measure of how close the data are to the fitted regression Line. This shows

that the model has a good fit since the value is above 50%. This concurs with Kothari (2004) that R-squared is always between 0 and 100%: 0% indicates that the model explains none of the variability of the response data around its mean and 100% indicates that the model explains the variability of the response data around its mean. In general, the higher the R-squared, the better the model fits the data. The adjusted R square is slightly lower than the R square which implies that the regression model may be over fitted by including too many independent variables. Dropping one independent variable will reduce the R square to the value of the adjusted. The R square was .735

and R Square.541 Adjusted R Square.528. The R Square.541indicted that the study had a strong significance of 54.1%

Table 6: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.735 ^a	.541	.528	.42677

a. Predictors: (Constant), Accountability, Conflict of Interest, Transparency, Professionalism

ANOVA

Ronald Fisher Anova (2002) in his study on Fisher stated that Analysis of variance (ANOVA) defines ANOVA ad a statistical models’ collection used in analyzing differences among group means and their related procedures i.e variation among and between groups. The results of Analysis of Variance (ANOVA) for regression coefficients in table below reveals that F-statistics tabulated implied that the overall regression model was significant at the 0.05 significance level. Similarly, the F-statistics P-value=0.000^b < 0.05 hence the regression model was significant at 0.000 significance level. The value of F is large enough to conclude that the set coefficients of the independent variables are not jointly equal to zero. This implies that at least one

of the independent variables had an effect on the dependent variable. The p-value in the ANOVA shown above was used to test the overall regression model of the goodness of fit. The p-value of the significance level indicates that the overall regression model was significant at 0.000 which is smaller than p-value 0.05 thus showing a strong significance level. The p-value of is lesser than the zero and it’s enough to conclude that Predictors: (Constant), was significant. The overall Sig. of combined variables was .000 Dependent Variable: Procurement performance, Predictors: (Constant), Accountability, Conflict of Interest, Transparency, Professionalism which indicate a strong positive significance.

Table 7: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	31.065	4	7.766	42.641	.000 ^b
	Residual	26.409	145	.182		
	Total	57.473	149			

a. Dependent Variable: Procurement performance

b. Predictors: (Constant), Accountability, Conflict of Interest, Transparency, Professionalism

Regression Coefficients Results

The prior step was to test on whether the fitted/regressed model was significant to the study or not. The result was that the regressed model was

significant, the researcher narrowed down to test on the individual variables’ significance in the model to the model on how they contributed towards the study.

Table 8: Coefficients^a Regression

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.371	.327		7.246	.000
	Conflict of Interest	.056	.069	.085	.814	.417
	Professionalism	-.046	.070	-.066	-.664	.508
	Transparency	.835	.094	.859	8.878	.000
	Accountability	-.331	.106	-.287	-3.107	.002

a. Dependent Variable: Procurement performance

The study variables indicated that conflict of interest had a significance of .417, professionalism significance of .508, transparency significance of .000 P-value=0.000^b < 0.05 showing strong relationship, and accountability significance of .002 which is P-value=0.000^b < 0.05 showing strong relationship.

CONCLUSIONS AND RECOMMENDATIONS

The study established that majority of the respondents agreed with the study variables and that the procurement performance in the state corporations in Kenya is affected by the personal interests at the various stages of procurement process affect quality of goods procured in the organization, lack of clear definition conflict of interest issues for the officials involved in procurement process hinder reduction of procurement costs, personal interests act exclusively in the procurement process thus enhanced quality of goods procured, fairness and impartiality is demonstrated in the procurement process thus leading to improved quality of goods procured, political and outside influence is being experienced in the procurement process affecting reduction of procurement costs, the personal interests at the various stages of procurement process affect quality of goods procured in the organization.

The study established that majority of agreed on effect of professionalism on procurement performance in the state corporations in Kenya. Majority of the respondents agreed with the statement the procurement staff have been certified by the professional body thus there is quality of procured goods and services in the organization, there is a continuous testing of staff competence which enhance diversity of procurement functions to increase efficiency and effectiveness in the procurement process, the organization employs procurement and supply management from the recognized institutions to enhance timely delivery of goods and services, the organization procurement professionals acknowledge and device strategies for managing

complex challenges thus reduction of procurement costs, there is a requirement to educate professionals and equip them with new and higher-level skills to have reduced procurement costs.

The study established that influence of transparency on procurement performance in the state corporations in Kenya was positive. The study indicated that the organization adhere to the higher standards conduct by ensuring there is open to scrutiny to enhance quality of goods and services procured, the organization has adopted anti-corruption practices in improving value for money thus reduction of procurement costs, the rules which govern the procurement procedures are clearly defined and easily verified to ensure quality of goods and services procured, there is no discriminatory policies upon the purchasing decisions thus quality and timely delivery of goods and services procured had a mean of, there is open bidding procedures, prompt disclosure of the results to enhance transparency in the procurement process in the organization.

The study established that majority agreed on effect of accountability on procurement performance in the state corporations in Kenya. The study found that the procurement staff show the commitment to a high standards for professional conduct in the procurement process, the procurement staff show clear chain of responsibility on handling procurement related challenges, there are adequate control mechanisms handling complaints from suppliers to enhance quality of goods and services procured, there is always public review and scrutiny of organization procurement actions to enhance reduction of procurement costs and quality of goods and services procured, there is disclosure of information and instating participatory monitoring systems to enhance reduction of procurement costs, quality and timely delivery of procured goods and services.

The study recommended that fairness and impartiality should demonstrated in the procurement process thus leading to improved quality of goods procured, political and outside

influence is being experienced in the procurement process affecting reduction of procurement costs and should be prevented, the personal interests at the various stages of procurement process affect quality of goods procured in the organization and should be managed.

The study recommended that the organization employs procurement and supply management from the recognized institutions to enhance timely delivery of goods and services, the organization procurement professionals acknowledge and device strategies for managing complex challenges should be improved to reduce procurement costs, there should be requirement to educate professionals and equip them with new and higher-level skills to have reduced procurement costs.

The study recommended that the organization should adopt anti-corruption practices in improving

value for money thus reduction of procurement costs, the rules which govern the procurement procedures are clearly defined and easily verified to ensure quality of goods and services procured, there should be discriminatory policies upon the purchasing decisions thus quality and timely delivery of goods and services procured had a mean of, they should have open bidding procedures to prompt disclosure of the results to enhance transparency in the procurement process in the organization.

Areas for further Research

The study recommended that further area of study to be conducted on influence of procurement ethics on procurement performance in the private sectors in Kenya. The study also recommended that further area of study to be conducted on influence of procurement ethics on procurement performance using different variables.

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