



**PROCUREMENT PROCEDURES COMPLIANCE ON PERFORMANCE OF COUNTY GOVERNMENT OF ISIOLO,
KENYA**

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Accepted: May 22, 2024

DOI: <http://dx.doi.org/10.61426/sjbcv11i2.2983>

ABSTRACT

Worldwide, many countries including Kenya have initiated procurement reforms culminating into enactment of procurement laws and regulations. In Kenya, despite the existence of the procurement law, there is low level of compliance by the county governments to this law. The purpose of this study was to evaluate the effect of procurement procedures compliance on performance of County Government of Isiolo, Kenya. The study was anchored on systematic theory, Institutional theory, principal agent theory, legitimacy theory. This study used a descriptive research design. The target population was 110 county staff comprising of Directors, Supply chain management staffs, Finance Officers and other staff representing various user departments in the procurement committees who are directly involved in procurement activities in the county. The sample size was 44 county government respondents from the above four categories sampled using stratified random sampling technique. The research used questionnaire to collect primary data. The questionnaires were administered to the respondents through a dropped and picked later method. Pilot test was undertaken to establish the validity and reliability of the research instruments by administering questionnaires to 4 (10%) of procurement handlers in the county selected using simple random sampling. The study employed both descriptive and inferential statistics to analyze the collected data. Data was analyzed using Statistical Package for Social Science (SPSS) version 26. Multiple regression analysis was used to establish the relationship between the variables. The study findings established and concluded that there is an effect of procurement procedures compliance on performance of County Government of Isiolo. Hence, the study recommends for strong initiation of procurement procedures compliance practices as it improves performance of County Governments. The study, further recommends for more studies to be carried out using similar variables though applying different methodologies.

Key words: Procurement Procedures Compliance, Public Procurement Law, Performance

CITATION: Mohamed, H. M., & Osoro, A. (2024). Procurement procedures compliance on performance of county government of Isiolo, Kenya. *The Strategic Journal of Business & Change Management*, 11 (2), 1314 – 1327. <http://dx.doi.org/10.61426/sjbcv11i2.2983>

INTRODUCTION

Supply chain management is defined as the systemic, strategic coordination of the traditional business functions and the tactics across these business functions within a particular company and across businesses within the supply chain, for the purposes of improving the long-term performance of the individual companies and the supply chain as a whole (Ogembo & Muturi, 2019). However, we have not dogmatically adhered to all the nuances expressed in this definition. Given that an important aspect of this review is to explore how SCM is conceptualized, we have used this term in a fairly “liberal” manner throughout the paper, hoping to ensure the scope of the research parameters was sufficiently broad to capture a wide range of definitions. The sections which follow provide details of how the review was conducted. First, the methodological aspects of the literature review are presented. This is followed by the results section. Then, a discussion of conceptual and research methodological issues is presented. Leading from this discussion, future research possibilities and developments are proposed. The paper concludes by summarizing the key findings of the review, highlighting the contributions this study makes to the body of SCM knowledge, and identifying the implications of the findings for practitioners and researchers. In over half the articles (58 percent), no definitions were used (Ogembo & Muturi, 2019).

Several countries throughout the world have begun procurement reforms, culminating in the implementation of procurement laws and regulations, due to public procurement's position as a facilitator in the provision of supplies, services, and works (Kabega, Kule & Mbera, 2016). According to Roodhooft and Abbeele (2006), governmental institutions' large budget allocations for procurement of goods, services, and works have traditionally been large marketplaces for providers. According to Mahmoud (2010), public procurement contributes for 18.42 percent of global GDP. In Albania, new law on Public Procurement was enacted in 2006. The passing of the regulations

based on the law provided the country with a more open and transparent public procurement regime, in compliance with the European Union and International Best Practices (Konomi, 2015). The procurement law composed of Standards, Procedures and Guidance on all aspects (spheres) of public procurement. It was established as a reference guide to comply with the implementation of the national Procurement Law and Regulations. Although compliance with the advice or guidance stated in the law was not mandatory, it was highly recommended to all categories of procurement staff at the state, regional and local levels.

The Republic of Korea' public procurement system is highly centralized in the Public Procurement Service (PPP), a central procurement agency which is responsible for concluding contracts of goods, services and construction works on behalf of public organizations. Public procurement in Korea has been identified as one of the key factors contributing to the country's successful economic development. Strategically, the government's aim is to achieve economic efficiency and “value for money” through acquisition of goods, works and services by public entities. Moreover, the government of Korea through public procurement envisage to accomplish its key objectives of stimulating economic growth, job creation and industrial innovation and development (Kumar, Patel & Singh, 2017). In India, the public procurement system is decentralized and comprises a multiplicity of entities at different levels of government. India does not have a general procurement law that is applicable throughout the country. Although no federal legislation exists on procurement, some states (Karnataka, Rajasthan & Tamil Nadu) have passed laws. In third world countries, public procurement is progressively acknowledged as cardinal in provision of services (Basheka and Bisangabasaija, 2010), and it accounts for a huge amount of total spending. Most developing countries are facing a problem of rapid changes in procurements which are imparting pressure on how the procurement function

performs its internal and external processes in order to achieve its objectives (Wambui, 2013). African Development Bank (ADB) has developed rules and procedures for procurement of goods, services and works that govern bank financed procurement (Khader et al., 2014). It is equally active in supporting the development and reform of public procurement systems in different countries. When the World Bank conducted a Country Procurement Assessment (CPAR) of Nigeria's public procurement system in 1999, it discovered a number of flaws, including the lack of a public procurement law, the lack of an institution responsible for issuing policy direction on public procurement, and the lack of defined procurement standards. As a result, the Public Procurement Act of 2007 was enacted to oversee procurement at the federal and state levels. Unfortunately, many government ministries and agencies have failed to implement the guidelines since then (Agaba & Shipman, 2007).

In Ghana, the public procurement framework has gone through many stages beginning with the starting of the Public Financial Management Reform Program (PUFMARP) in 1996 to improve financial management, guarantee sanity stability and value for cash in the public procurement in the country. PUFMARP distinguished shortcomings in the acquisition framework that included: absence of far reaching public obtainment strategy, absence of focal body with specialized ability, lack of plainly characterized jobs and responsibilities regarding acquisition substances, lack of thorough legitimate system to protect public procurement, absence of rules and guidelines to direct, direct, train and screen public procurement. Lack of extensive lawful system to protect public obtainment and free requests interaction to address grievances from givers was additionally referred to in the discoveries.

The Public Procurement System in Kenya has advanced from a crude and unstructured framework with no ground rules to a curbed and guided system premised on law and regulations.

Supplies Manual of 1978 was the forerunner of the public procurement and enhanced by booklets released from time to time by the Treasury. The mandate of ensuring compliance with the manual that prescribed tender processing and awards by the government ministries was vested in the Director of Government Supply Service. (Onsongo, Okioga, Otieno and Mongare, 2012). Ombuki, Arasa, Ngugi and Muhwezi (2014) gave a chronology of evolution of Public Procurement in Kenya. From 1963-1978, Public Procurement in Kenya was guided by Treasury Circulars and the Central Tender Committee (CTB) placed under the Treasury from the Ministry of Public Works. In 1978 – 1983 Supplies Manual was introduced to guide supplies matters. During the era of 1983-2001 Supplies Manual was embedded in District Focus for Rural Development Strategy with the Blue Book (Nyachae Book) Procurement policy document used to regulate Procurement.

Public procurement process is a legal procedure established in law but influenced by economic, cultural, legal, political, and social environment, (OECD, 2009). Procurement procedures are critical in all procurement activities such as leasing, hiring and where necessary other activities accompanying the life cycle of goods or service contracts and the disposal of obsolete and unserviceable goods. (Bartik, 2009). Procurement procedures are strategies followed when making organization purchasing decisions. Implementing effective procurement procedures significantly improve the effectiveness of purchasing decisions (Sobczak, 2008). The Kenyan public procurement law regulates both public and private sector procurement practitioners and aims at professionalizing procurement practice in Kenya (Andrew 2010) with the objective of development and management of key suppliers, internal procedure of procurement function and coordination of purchasing with other functions within the firm, and efforts to meet or exceed customer expectations. The Kenyan public procurement entails procurement for projects and

consumables for day to day running of the procuring entities (George, 2008). The procurement of projects, works, goods and services in public sector is anchored in the Kenyan public procurement directives stipulated under the Public Procurement Asset and Disposal Act (PPADA) 2015, Public Procurement and Asset Disposal Act Regulations 2020, Public Private Partnerships Act (2013) and Public Private Partnership regulations 2011 (PPRA 2020).

The PPADA (2015) was established as a way to; maximize economy and efficiency, promote competition and be sure that competitors are treated fairly, promote the integrity and fairness of procurement procedures, increase openness and accountability in those procedures, increase public assurance in those procedures, assist in the promotion of local industry and economic development (PPRA 2015). To achieve these objectives, the Act endeavors to establish convenient procurement procedures, and creates the necessary structures to ensure that the procedures are followed and there is provision of oversight and compliance. The (PPADA, 2015) is applicable to all purchase of goods, works and services, as well as the disposal of property by public entities. General public entities are the ones that procure goods, services or works utilizing general public funds. As such, public organizations range from the national government to county governments and independent commissions established under the constitution, the Judiciary, public universities, state corporations, county governments, public schools, the constituencies, central bank of Kenya (PPADA, 2015).

According to Njeru (2015), the PPADA (2015) has provided various procurement methods which include; open tender, two-stage tendering, design competition, restricted tendering, direct procurement, request for quotations, electronic reverse auction, low value procurement, force account, competitive negotiations, request for projects, framework agreements. The act establishes Public Procurement Regulatory

Authority which is mandated to ensure that procurement procedures are complied with. The body also monitors the purchase system and reports on its overall functionality. Additional functions of the body include initiating public purchase policy, as well as assisting in the execution by; preparing and distributing guides and standard tender documents, providing advice and assistance to procuring entities, as well as developing, promoting and supporting training and professional development of personnel involved in public procurement. (PPADA, 2015).

Statement of the Problem

Kenya's public procurement system is always evolving to keep up with new concerns in procurement, technology advancements, and best practices in order to maintain judicious management and avoid waste of public funds (PPOA, 2016). The Public Procurement and Asset Disposal Act (PPADA) of 2015, as well as its accompanying Regulations, were adopted to give effect to Article 227 of Kenya's 2010 Constitution, which requires public bodies to comply with procurement and disposal processes. The term "compliance" in the context of public procurement refers to ensuring that procurement regulations are followed to the letter (Mwangi, 2017).

A number of studies have been conducted on procurement law compliance. For instance, studies by Sang and Mugambi (2014) on determinants impacting observance with public tendering legislations and guidelines in government entities in Kenya: A case study on government entities in Mombasa County; Panya and Were (2018) on factors of public acquisition prescribed adherence by devolved systems in Kenya: a case of Homabay County Government; Nkanja & Senelwa (2019) on aspects of obtainment legislation conformance in government agencies in Kenya. (A case of National Youth Service) and Mutangili (2019) on Implications of acquisition statute on obtainment attainment: A Case of Kenya National Highway Authority. However, there is no research that explicitly carried out compliance of public procurement procedures

compliance and performance of County Government. Besides, none of these studies employed similar variables as adopted by this research. This has prompted the researcher to undertake this study by exploring the relationship between Procurement procedure compliance and performance of county government of Isiolo.

Study objective

To evaluate the effect of procurement procedures compliance on performance of County Government of Isiolo in Kenya.

Research Question

How can procurement procedures compliance affect the performance of County government of Isiolo in Kenya?

Theoretical Literature Review;

Institutional Theory

The institution theory has its genesis in the theoretical discussion of Powell and Diaggio(1991) and enhanced by Scott(1995).Institutions as asserted by Scott (2004) constitutes three pillars that include regulatory, normative and cultural cognitive. The regulatory pillar emphasizes on the application of rules, regulations and procedures as foundation for compliance. The normative pillar is concerned with norms and value with social responsibility underpinning compliance while the cultural–cognitive pillar is premised on shared understanding that encompasses shared beliefs, emblems and comprehension. Institutional theory is applied mostly to assess elements of public procurement (Tukamuhabwa, 2016). Mwangi and Namusonge (2017) adopted it to analyze the determinants of compliance with Access to Government Procurement Opportunities regulations for special groups by Public Universities in Kenya. Panya and Were (2018) employed the theory to identify the determinants of Public Procurement regulatory compliance by County governments in Kenya. In Kenya, public procurement derives its mandate from article 227 of Constitution of Kenya which stipulates that any entity that draws its funds from the public coffers

shall contract for goods or services in a way that is just, impartial, straight-forward, cut- throat and economical (COK 2010). Public Procurement and Asset Disposal Act (2015) and respective regulations explicitly expound this. In line with this, all government agencies in Kenya are compelled to execute all their obtainment of goods, services and works in conformance to the prescribed procurement legislations. Every government agencies is obligated to inculcate the rules and regulations in performance of their procurement activities.

To nurture good governance in procurement, institutions are mandated to make sure that procurement officials and public service abide by the values and principles premised in procurement law when performing all procurement activities (Naidoo 2012). The regulations have made it mandatory for a procuring entity to incorporate procurement plan in the annual budget process, how it shall be submitted and implemented. It also gives guidelines on which procurement method will be applied and vested the responsibility of the entity’s compliance in the accounting officer (PPADA, 2015). This theory will be relevant to this study as it elucidates that implementing procurement regulations as stipulated in the PPADA regulations by the public procurement entities will ensure procurement planning is adhered to, appropriate procurement method used and internal organization undertaken to enforce compliance. Counties are public institutions which are premised on rules, regulations, guidelines, norms and values which they must conform to for achievement of desired performance. This theory supports the procurement regulations variable.

System Theory

System theory has its genesis in biology and system science and is indebted to biologist Ludwig Von Bertalanffy who initiated it in the 1940’s. It was advanced by Ross Ashby (Introduction to Cybernetics, 1956). The theory from a biological view point considers an organism as an amalgamated system of connected structures and

functions while from a sociological vantage, it is the trans-disciplinary approach of an organization. A sociological system consists of objects, attributes, intrinsic connections among objects and environment (Apopa,Iravo, Waititu &Arasa ,2018). According to Zenko et al. (2013), objects are considered to be parts, elements, or variables within the system. Attributes are the properties, characteristics of qualities of a system and its objects. Every system has internal relationships that exist among its objects. In addition, a system exists in an environment (Zenko et al., 2013).

A system is a set of objects of things that influence one another within an environment and form a larger pattern that is different from any of the parts (Puche et al., 2016). A system can be open where it interacts with its environment and it is distinguished by exchanges of matter and information with the external environment. For instance, government ministries are open systems that interact routinely with external forces such as other government agencies, customers and suppliers. However, in a closed system there is no exchange of information and matter with the external environment (Apopa et al., 2018). Kamoni, Rotich & Ochiri (2018), described an organization as a system composed of subsystems, each with inputs, transformation process, output; that provide worthwhile information of products and service to a consumer. Panya & Were (2018) also defined an organization as a system of incorporated parts that work jointly to accomplish a desired outcome. The Procurement department is an integral system of an organization that is assigned to set up and conduct purchasing activities based on the procurement plan and prepare contract agreements to get value for money for procurable items (Onchweri & Muturi, 2015).

The organizations' needs are evaluated and the physical resources required allocated to achieve the organizations' goals. These elements must then be systematized into a structural design that will aid in accomplishing the objectives of the whole system-the firm, (Ahmady,2016). Procurement process

management ensures that all the organizations products, services and works are requisitioned, delivered and acquired based on its procurement plan (Lawal, 2016). Effective procurement procedures ensure seamless interactions of the organizations' departments, (Munywoki, 2016). County governments are public organizations that acquire goods, services and works from the suppliers, consultant and contractors in order to meet the needs of its residents and accomplish its objectives. To achieve this, the county government applies the procurement procedure in conformance with the public procurement law and attendant regulations. The procurement procedure is a seamless system where one process leads to another.

In investigating the relationship between procurement process and performance; this research concentrated on the effects of tender opening & evaluation, tender award and contract management on compliance of public procurement law. This theory supported the variable by linking the components of procurement procedures i.e. tender opening & evaluation, tender award and contract management to the functions of a system to achieve compliance to the public procurement law and hence performance of the county.

Principal Agent Theory

The agency theory was introduced by Alchian and Demsetz (1972) and subsequently enhanced by economists Jensen and Meckling (1976). The theory expounds the relationship that exists between the principal and his agent where the former apportions assignment to be executed by the latter to accomplish the desired objectives of the the principal (Health & Norman, 2004.) In this theory, the association between the principals and agents is distinctly elucidated. Based on the theory, owners of the company (shareholders) who are the principal hire staffs (agents) to discharge allocated duties on their behalf. The routine operations of the business are designated to the managers by the principals. Managers are regarded as the

shareholders' agents in this association (Clarke, 2004).

The theory systemizes the best relationships where the principal dictates the task while agent performs it, (Mugo, 2013). In this relationship, the principal employs staff (agents) to discharge the assigned task, (Obanda, 2010). Agency theory presume both the principal and the agent are driven by individualistic (Munywoki, 2016). This presumption of narcissism dooms agency theory to unavoidable indelible disagreement. If this occurs, agents are likely to drift from the goals of the principal and follow their egocentric objectives while they are required to perform exclusively for their principals. This will lead to non-compliance. The theory foresees procurement regulations as an intercession to halt non-compliance procurement personnel on gambling the system to their advantage.

Based on the theory, procurement personnel and all staffs involved in public procurement undertakings are agents for elected representatives (principal) in both the national and county governments. In Kenya, the responsibility for compliance with the Act is vested in the accounting officer of a public entity (PPADA, 2015.) The accounting officers are the representatives of the principal (Governor) in the case of the devolved units of the government while the procurement personnel are the agents effecting the assigned responsibilities to accomplish the desired goals of the county bosses in conformance with the stipulated procurement laws and attendant regulations.

Despite acting as an agent for the principal, the agent has some moral obligations for her undertakings, which she cannot fail to perform in agency relationships (Osei-Tutu et al 2015). County Procurement personnel must ensure they have competency and knowledge in procurement law in performance of their procurement duties. The theory is relevant to this study because it helped the researcher in explaining the relationship between the county government as the principal

and the procurement personnel as the agents in implementation of the procurement law. The theory pinpoints how technical competency, continuous training and professional membership of the procurement personnel (as agents) has impact on the performance of the county government (as the principal) in matters of compliance with the procurement law.

Legitimacy Theory

Dowling and Pteffer (1975) were the proponent of legitimacy theory. As asserted by Philips et.al, (2017), legitimacy theory predicate that a firm is obligated to disclose its transactions to the stakeholders, specifically the general public, and to prove its presence within the precincts of community. Apart from emphasizing the relationship and interaction between a procuring entity and society, the proposition also provides a sufficient and superior lens for understanding government procurement. Public procurement, according to Poterba D. (2001), is a political process in which public servants bestowed the mandate to perform the obtainment process and verdicts are answerable to the elected leaders who have been delegated the powers to spend the public resources by the electorate as per their needs on their behalf (Poterba D., 2001.) The idea suggests that perceived legitimacy of public procurement laws is a precondition of public procurement compliance behavior. Measures of the legitimacy of public procurement are the level of integrity and transparency of the procurement team and procurement process (OECD, 2016).

As envisaged by the legitimacy theory, compliance level with regulations and policies in procurement is composed of technique to impact the institution association with the parties it deals with (Wanyama, 2017). Openness and transparent should be adhered to in public procurement to deter corruption. (Ethics and Anti-Corruption Commission, 2018) In reality, legitimacy should inculcate mutual understanding between county governments' procurement systems and procurement law compliance with the expectations

of the humankind they work for. Corruption in the obtainment process was thriving in Kenya in the yester years due to inadequate openness in acquisition process, stipulated regulations and laws were intentionally made unavailable to the public (PPRA, 2017). The county governments are duty-bound to be accountable to their citizens in respect to acquisition of goods, services, and works hence adopt public engagement in project formulation (Wilmshurst & Frost, 2020). This will provide a good opportunity for public members to be involved in the development of their counties. Also, by setting activities to be achieved by counties in a given time frame, they will be devoted to being accountable to the public. Lindblom (1993) alluded that any nation that work for its citizens in tandem with their needs

is a legitimate government. Therefore, legitimacy is regarded as society's acceptable norms, values, beliefs, and behaviors (Suchman, 1995). The regulator (PPRA) is in charge of monitoring and reporting on the country's public procurement system's performance (PPRA, 2015). Therefore, the theory is relevant to this study because the procuring entity (County Government of Isiolo) is required to disclose to the stakeholders its practices by publishing awarded contracts, termination of procurement and asset disposal proceedings reports and preference & reservation reports in the PPRA portal. It also focuses on the relationship and interaction between a procuring entity and the society. The theory supported the fourth variable which is procurement records.

Conceptual Framework

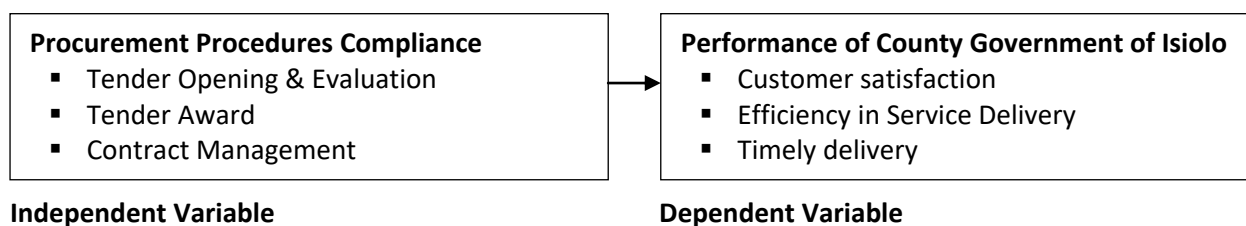


Figure 1: Conceptual Framework

METHODOLOGY

Research Design

This reality can be observed and described from an objective viewpoint without necessarily interfering with the phenomenon itself (Matta, 2015). Halfpenny (2015) contend that positivism research philosophy can be used to probe through scientific measurement of people and system behaviors of what really occurs in organizations. For instance, in this procurement procedures variable, tender opening and evaluation construct needs to be properly measured in order to test its effect on procurement procedures on performance in the county government in Kenya. This study adopted a descriptive research design. According to Lambert, (2012), descriptive research design gives the respondents the freedom to fully describe the topic under study, meaning that the nature of the topic in hand can be presented in a complete and accurate

manner. This was what justified the researcher to choose it.

Target Population

The study was undertaken at County government of Isiolo in Kenya. The target population comprised of 110 county staff who are directly involved in procurement activities in the county hence playing a vital and crucial role in effecting compliance to the procurement law. Sedgwick (2014) asserts that unit of analysis refers to groups entity that are analyzed in a study and helps the researcher in coding, while the unit of observation entails items that are observed and measured. The unit of analysis in this study was the sample size of 44 which constituted 40% of the target population stated above while the unit of observations were the Directors, Supply chain management staffs, Finance Officers, and Other staff representing

various user departments in the procurement committees.

Sample Frame

Burns (2014) describes a sampling frame as a list of all the units in a population from which the sample is taken. The sampling frame in this study comprised of the four (4) categories of staff dealing with procurement activities in the eighteen (18) departments of the County Government of Isiolo. According to Mugenda and Mugenda (2008), in a descriptive research, a minimum sample size of 30% of the target population is acceptable. The study used a sample size of 40% of the target population to calculate the sample size hence 44 county staffs from the above categories was sampled using stratified sampling technique.

Research Instrument

The research used questionnaire to collect primary data. According to Rowley (2014), questionnaires are best suited for a descriptive research design because they give the researcher a larger scope under which to objectively respond to research questions. The significance and independence of a questionnaire is clearly expounded by Franker (2006) who stated that a questionnaire is useful in obtaining objective data because participants are not manipulated in any way by the researcher. In addition, as an instrument of data collection it consumes less in terms of money and time. The questionnaire contains both structured (closed ended) and unstructured (open ended) questionnaires that was based on a 5 point Likert Scale. According to Kothari (2005), open-ended questionnaire gave the respondents freedom of expression, while closed ended gave a variety of chooses to pick from.

Pilot Test

Pilot test was undertaken to establish the validity and reliability of the research instruments. According to Copper and Schindler (2011), a pilot test is conducted to detect defect in the design and instrumentation and furnish a close data for choosing of probability sample. A pilot test was undertaken by distributing questionnaires to 10%

of the respondents to ascertain reliability and validity of the research tools and such respondents were not part of the main study. According to Cooper & Schilder (2003), the rule of thumb is that 10% of the sample should compose the pilot test. Hence the choice of the proposed pilot test.

Data Analysis

The researcher used the computer software Statistical Package for Social Scientists (SPSS) version 24 for windows to conduct initial data analysis using simple descriptive statistical measures such as, mean, standard deviation and variance to give glimpse of the general trend. However, deeper analysis involving correlation analysis and multiple regression analysis was used to determine the nature of the relationship between variables at a generally accepted conventional significant level of $P=0.05$ (Sekaran, 2003). Regression analysis was applied to analyze the relationship between a single dependent variable and each of the independent variables respectively (Hair et al., 2005). The beta (β) coefficients for each independent variable were generated from the model. The regression model which was used in the study shown below:

$$y = \alpha + \beta_1 X_1 + \varepsilon$$

Where;

Y = Performance of the County Government

α = constant

β_1 = parameter estimate

X_1 = Procurement Procedure compliance

ε is the error of prediction.

FINDINGS AND DISCUSSION

Response Rate

Out of 40 questionnaires that were circulated to the respondents, 36 of the respondents dully filled and retuned questionnaires; yielding a response of 90%. This was considered to be a very reliable response rate for the generalization of study findings is in line with Sharma (2018), who stated that a response rate of 70% and above is believed to be a reliable response rate. This was less 11 (10%) respondents who were pilot tested.

Table 1: Response Rate

Respondents	Frequency	Percent
Returned	36	90
Unreturned	4	10
Total	40	100

Category

The study sought to establish respondents' Category. The results were as presented in table 4.2 below that shows others (user departments) had 20 (56.5%), while 16(43.2%) of the respondents were finance and procurement officers. This means that majority were the users.

Procurement Procedure Compliance

Respondents were asked to give their responses in regard to Procurement procedure compliance in 5 point Likert scale where SA=Strongly Agree, A=Agree, N= Neutral D=Disagree, and SD= Strongly Disagree. The results obtained are as presented in Table 2.

Descriptive Statistics of the Variable in the Study;**Table 2: Procurement Procedure Compliance**

Statement	Mean	Std. Dev.
Isiolo county considers tender opening and evaluation on procurement procedure compliance	3.851	.8312
A procurement procedure compliance is likely to deliver on performance of County government of Isiolo in Kenya	4.033	.3606
Evaluation committee members should be guided by the evaluation criteria in the bid document	4.094	.8005
Tender award compliance enhances Performance of County government of Isiolo in Kenya	4.041	.8302
Proper contract management boost procurement performance of County government of Isiolo in Kenya	4.252	.8165
Compliance of procurement law enhances performance of County government of Isiolo in Kenya	4.111	.7117

As of table 2, respondents agreed that: The County government of Isiolo in Kenya considers tender opening and evaluation on Procurement procedure compliance (M=3.851, SD=.8312); A procurement procedure compliance is likely to deliver on performance of County government of Isiolo in Kenya(TORs) (M=4.033, SD=.3606); Evaluation committee members should be guided by the evaluation criteria in the bid document (M=4.094, SD=.8005); Tender award compliance enhances on performance of County government of Isiolo in Kenya (M=4.041, SD=.8302); Through proper contract management has been able to get performance of County government of Isiolo in

Kenya (M=4.252, SD=.8165).These findings were in agreement with the findings of Onger and Osoro (2021) that the goal of Procurement procedure compliance is to ensure performance of County government of Isiolo in Kenya. Effective Procurement procedure compliance minimizes or eliminates problems and potential claims and disputes. This concurs with the finding of Ominde et al. (2022). It is essential for Procurement procedure compliance to understand the provisions of the supplier evaluation, have the ability to perform to all practices involved, and maintain control over the performance of County government of Isiolo.

Inferential statistics

Table 3: Summary of Correlation Results

		Performance	Procurement Procedure Compliance
performance	Pearson Correlation	1	
	Sig. (2-tailed)		
	N	36	
Procurement Procure compliance	Pearson Correlation	.768**	1
	Sig. (2-tailed)	.000	
	N	36	1

From the findings, a positive correlation is seen between variable and performance. Procurement procedure compliance and performance of County government of Isiolo in Kenya were found to be strongly and positively correlating with performance of County government of Isiolo in Kenya correlation coefficient of 0.768. This is tandem with the findings of Ongeru and Osoro (2021), who observed that all independent variables were found to have a statistically significant association with the dependent variable at over 0.05 level of confidence.

Analysis of linear regressions;

Linear influence of procurement procedure compliance on performance

This tested the direct influence of Procurement Procedure compliance on performance. The results are shown in table 4.

Regression analysis was used to determine the relationship between the independent or predictor variables and a dependent variable.

Table 5: Linear Regressions

R	R2	Adjusted R	Std. Error of the Estimate
0.764	0.789	0.731	0.064

a. Predictors: (constants); Procurement procedure compliance

b. Dependent Variable: performance of County government of Isiolo

With an R-squared of 0.789, the model shows Procurement procedure compliance, contribute up to 78.9% on performance of County government of Isiolo in while 21.1% this variation is explained by other indicators which are not inclusive in this study.

From the results in table 5, analysis of variance statistics was conducted to determine the differences in the means of the dependent and

independent variables to show whether a relationship exists between the two. The P-value of 0.005 implies that organizational performance of County government of Isiolo have a significant relationship with Procurement regulations 2020 compliance, Procurement procedure compliance, Procurement personnel compliances and Procurement record compliance which is significant at 5 % level of significance.

Table 5: ANOVA Test

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	4.155	1	1.059	.441	.001
Residual	6.466	35	.531		
Total	10.611	36			

$$y = -0.134 + 0.219X_1$$

Where;

Y is Performance

X_1 is Procurement procedure compliance

SUMMARY

The study found that County government of Isiolo in Kenya considers personal qualification on appointing Procurement procedure compliance teams. Professionally qualified Procurement personnel involved in procurement procedure is likely to deliver based on the required terms of reference (TORs). Procurement procedure compliance ensures mutual satisfaction to both the County government of Isiolo and the community through evaluating supplier financial capability and finance utilization. Administrators of financial management are supposed to maintain a documentation system of every correspondence that arise before, during and after Suppliers award. The study further established that Procurement procedure compliance has enhanced the performance of County government of Isiolo. The goal of Procurement procedure compliance is to ensure the procuring entity is satisfactorily performing and the responsibilities of both parties are properly discharged. Therefore, effective Procurement procedure compliance minimizes or eliminates problems and potential claims and disputes. It is essential for Procurement procedure compliance administrators to understand the provisions of the purchase document, have the ability to communicate financial contract obligations to all parties involved, and maintain control over the financial performance in supply chain practices.

CONCLUSIONS

The study concludes that Procurement procedure compliance influences performance of County government of Isiolo. The suppliers during evaluation was through adherence to the set criterion in the bid documentation during the advertisement focusing on Procurement procedure compliance. A well-integrated internal supply chain

should provide excellence in Procurement procedure compliance on performance of County government of Isiolo in Kenya. County government of Isiolo through embracing Procurement procedure compliance has benefited from facilitated teamwork, resource allocation and fulfilment of set goals between complementary functions. This has made it easy for the county to ensure increased service delivery to the community. Therefore, the study concludes that County government of Isiolo in Kenya has experienced significant increase in growth, through Procurement procedure compliance in the supply chain practices.

RECOMMENDATIONS

The study established that Procurement procedure compliance had a good relationship with performance of County government of Isiolo in Kenya. The study recommends that effective procurement procedure compliance can minimize or eliminate problems and potential claims hence need to be adopted by County governments and other public entities in Kenya to strengthen their performance. A key factor in successful Procurement procedure compliance is being able to render services to customers. The study also recommended that supply chain manager should ensure that the procurement procedure compliance requirements are satisfied, goods and services are delivered in a timely manner, and that the financial interests of the procuring entity are protected. Further, the study recommended that the procurement staff in Kenya should ensure that they do proper procurement procedure compliance by maintaining an updated form of the process; assessing and managing supplier involvement; supplier being paid on time; delivering at the right time; inspection or audit of all documents before settling payment.

Areas for further studies

This study focused on Procurement regulations 2020 compliance, Procurement procedure compliance, Procurement personnel compliances and Procurement record compliance and performance of County government of Isiolo in

Kenya. The study therefore recommends a further study to be conducted in other counties in Kenya. Then get their findings and compare with this and agree or disagree. The study also recommends replication of the study in other sectors such as manufacturing sector and public sector to allow

comparison of research findings. Future researchers can investigate the factors affecting compliance of public procurement law broadly in all areas of concern in this profession on performance of county government to embrace the best practices in supply chain.

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