



**FACTORS INFLUENCING IMPLEMENTATION OF PROCUREMENT PLANS IN PUBLIC HOSPITALS IN KENYA; A CASE OF KENYATTA NATIONAL HOSPITAL**

**JANE NJAMBI NYAGA, DR. ALLAN KIHARA**

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<sup>1</sup> Jane Njambi Nyaga, <sup>2</sup>Dr. Allan Kihara

<sup>1</sup>Jomo Kenyatta University of Agriculture (JKUAT), Kenya

<sup>2</sup>Jomo Kenyatta University of Agriculture (JKUAT), Kenya

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**ABSTRACT**

*The implementation of procurement plans in public hospitals in Kenya is influenced by varying factors. Research by the Price Water House Cooper found that as much as 37% of the potential value of a procurement plan in public hospital in Kenya is lost during Implementation. Public Hospital procurement accounts for 25% of the annual government procurement expenditure. Many public hospitals in Kenya are able to generate innovative procurement plans, but few are able to successfully implement these plans. Lack of proper implementation in procurement planning culminates into diverse implications in the organization that may deter its progress. Public hospital in Kenya has been facing challenges of procurement plan implementation. This study sought to establish the factors influencing implementation of procurement plans in public hospitals in Kenya, with special focus on Kenyatta National Hospital. The existing literature was criticized to identify the research gaps. The study adopted descriptive research design. The study was a census survey, thus the sample size of the study was all the 138 target respondents. Both secondary and primary data were collected. The study relied on primary data which was collected through semi-structured questionnaires. The research instrument was pre-tested before final administration of questionnaires to the respondents. Descriptive statistic was used to analyses quantitative data and presented using frequency tables and chart. Qualitative data was analyzed using content analysis and presented in prose form. The study found that information technology affected the implementation of procurement plans at Kenyatta National Hospital. The employees were not equipped with the right knowledge on information systems neither did they attended trainings to acquire IT skills. Some hardware was out dated as well. The study further found that procurement expertise affected the implementation of procurement plans at Kenyatta National Hospital. Employees in the hospital had little technical skills on procurement and lack experiences on application of various ICT technologies in procurement as well. The study recommended that there was need for the hardware to be upgraded and the employee adequately trained on the use of the information systems adopted by the organization. There was need for employees in the hospital to be equipped with adequate technical skills on procurement.*

**Key Words:** Procurement Expertise, Information Technology Implementation

## INTRODUCTION

Procurement is the act of acquiring, buying goods, services or works from an external source (Carter & Kirby, 2014). Procurement plan is the procuring entity's indicative plan of what, how and when to procure goods, works and services for a particular financial year. Ombuki, Arasa, Ngugi and Muhwezi (2014) defines procurement planning as the process of determining the procurement needs and the timing of their acquisition and funding such that the entire operations are met as required in an efficient way. According to Arrow (2014) procurement planning is the process used by companies or public institutions to plan purchasing activity for a specific period of time. Economic Commission of African (2013) defines procurement planning as the purchasing function through which an organization obtains products and services from external suppliers. It is a tool that facilitates early and smooth procurement process and draws businesses' early attention to procuring entity's planned procurement of the forthcoming financial year. Its objective is to avoid haphazard procurement and make the government marketplace more attractive and transparent to suppliers and service providers (Mlinga, 2014).

Planning of purchases is no less important in institutions and government than it is in industrial organizations. In fact, it may be more critical, because the public's health safety and welfare can be immediately and adversely affected by even a short term disrupt of supply. All public essential goods/services are required on around the clock basis and government ability to deliver them can be severely crippled by a shortage of needed goods or services. Some services may be needed infrequently but if and when the institution or government must provide them. It must provide them and it has to be equipped and supplied. In such cases the public has

no tolerance for lack of preparedness (Milassy, 2015).

Public procurement has been utilized as an important tool for achieving economic, social and other objectives (Dobler, 2012). There is therefore, a need for referral hospitals to comply with a myriad of legislations and guidelines and this presents a challenge. For instance, in its report to the Unites States Congress, the Commission on Government Procurement states that "The magnitude of the Government's outlays for procurement and grants creates opportunities for implementing selected national policies for referral hospitals". Also, the World Bank specifies the following four major concerns or objectives of public procurement for projects funded by its loans. The hospitals should ensure that the loan is used to buy only those goods and services needed for the project, ensuring fair competition for all qualified bidders from the World Bank's eligible countries, promoting transparency or integrity, and Encouraging development of indigenous contractors and manufacturers by allowing local buyers to build in a margin of preference for local contractors and manufacturers (Maurer, 2014). Another challenge is that, due to many reasons (including greater scrutiny of taxpayers and competing vendors), public procurement has been perceived as an area of waste and corruption (Dobler, 2012). For example, in The District of Columbia, USA government wasted hundreds of thousands of dollars in revenue by selling used emergency vehicles for hospitals; bargain basement prices in auctions run by untrained staffers (Nakamura, 2014). In a period of 30 months, the District of Columbia sold 11 fire trucks for a total of \$3,125 while similar vehicles in make and model had been sold on the Internet for a total of \$360,875. Corruptions and bribes are widespread in government hospitals when giving out contracts.

Procurement in public hospitals operates in an environment of increasingly intense scrutiny driven by technology, programme reviews, and public and political expectations for service improvements (Bolton, 2012). Currently, in South Africa, public hospitals procurement is of particular significance in the public sector and has been used as a policy tool due to the discriminatory and unfair practices during apartheid (Bolton, 2012). Procurement is central to the public hospitals service delivery system, and promotes aims which are, arguably, secondary to the primary aim of procurement such as using procurement to promote social, industrial or environmental policies (Cane, 2014). Prior to 2004, public hospitals procurement in South Africa was geared towards large and established contractors. It was difficult for new contractors to participate in government procurement procedures. However, public hospitals procurement in South Africa has been granted constitutional status and is recognized as a means of addressing past discriminatory policies and practices (Bolton, 2012).

According to Juma (2010), public hospitals procurement is very important and accounts for a sizeable proportion of the GDP. Public procurement by central government is estimated to account for 10% of the GDP in Kenya. It is further estimated that public hospitals procurement accounts for 9%–13% of the GDP of the economies of developing countries (Thai, 2015). Therefore, it is important for public institutions to have exceptional procurement plans. According to Hall (2009) a good procurement plan brings some sanity in the budgetary allocations and prudent financial management. However, in Kenya, there is a conspicuous gap in procurement planning particularly in the newly developed County governments. This is following the new County governments budget estimates (The Controller of Budgets (CB), 2013).

## **Statement of the Problem**

Public hospitals in Kenya experience major challenges in the execution of procurement plans (World Bank, 2014). In Kenya, the central government spends about Ksh. 234 billion per year on procurement. However, on annual bases, the government losses close to Ksh. 121 billion about 17 percent of the national budget due to inflated procurement quotations. According to Public Procurement Oversight Authority (PPOA 2014), most of the tendered products/services in many public hospitals have a mark-up of 60 percent on the market prices. In the year 2014, county government, under which public hospital fall lost 4.2 billion shillings (Daniel, 2015). The inefficiency and ineptness of overall implementation of procurement plan in many public hospitals contributes to loss of over Ksh.500 million annually (Tom, 2015). According to Victor (2012), procurement expenditure could be minimized through proper implementation of procurement plans.

Despite the Public Procurement and Disposal Act 2005 being in place with an aim of guiding the procurement function in public institutions, specific internal procurement factors affect the efficiency of the procurement process. Country Procurement Assessment Report (CPAR), prepared by a team of Government officials, World Bank and donor staff, and national consultants, reveals substantial inefficiency in public procurement.

Research by the Price Water House Cooper found that as much as 37% of the potential value of a procurement plan in public hospital in Kenya is lost during Implementation (PWC, 2015). Andrew (2011) concluded that success of procurement plan implementation has been at 10% to 30%. Public Hospital procurement accounts for 25% of the annual government procurement expenditure. Many public hospitals in Kenya are able to generate

innovative procurement plans, but few are able to successfully implement these plans (PWC, 2015). Some studies note that organizations fail to implement up to 70% of their procurement plans (Miller, 2012). Lack of proper implementation in procurement planning culminates into diverse implications in the organization that may deter its progress (Hall, 2009). Public hospital in Kenya has been facing challenges of procurement plan implementation (WB, 2013).

Amemba et al (2015) on the challenges Affecting Public Procurement Performance Process in Kenya found that the challenges faced by public procurement have been propagated due to the fact that existing legislations do not foster use of technology in procurement process and formation of long term buyer-supplier relations. Other Empirical studies by Daniel (2015), Victor (2012) and Tom (2009) explored implementation of procurement plan in public sector organizations in general and left a major knowledge gap on the factors influencing the implementation of procurement plans in public hospital in Kenya. It is against this background this study was undertaken to establish the factors influencing the implementation of procurement plans in public hospitals in Kenya, with special focus on Kenyatta National Hospital.

### **Objectives of the Study**

The general objective of the study is to establish the factors influencing implementation of procurement plans in public hospitals in Kenya, a case of Kenyatta National Hospital. The study specific objective were:-

- To establish the effects of procurement expertise on implementation of procurement plans in Public Hospitals in Kenya.

- To determine the effect of information technology on implementation of procurement plan in Public Hospitals in Kenya.

## **LITERATURE REVIEW**

### **Theoretical Review**

#### **Human Capital Theory**

Recent challenges such as globalization, a knowledge based economy and technological evolution have promoted many countries and organizations to seek new ways to maintain competitive advantage (Allan *et.al*, 2008). In response, the prevailing sense is that the success depends in large part on the people with higher levels of individual competence. At the end, people are becoming valuable assets and can be recognized within a framework of human capital. Thus, this is the reason why organizations invest a lot on their employees through training and development programs and appropriate reward systems. Broadly, the concept of human capital is semantically the mixture of human and capital.

In the economic perspective, the capital refers to factors of production used to create goods or services that are not themselves significantly consumed in the production process (Boldizzom, 2008). In research institutes, effective HRM practices should, therefore, be put in place in order to improve employee effectiveness. HRM practices are viewed as interventions that can improve employee performance. Torrington (2008) explains that human capital signifies the combined intelligence and experience of staff as a source of competitive edge that cannot be initiated by rivals. He specifically indicates that effective HRM practices are an organization's source of competitive edge. The theory has, therefore, cross cutting significance in HR practices such as recruitment and selection, training and development, human resource planning among

others that are meant to help organizations achieve their goals.

Throughout the investment of human capital, an individual's acquired knowledge and skills can easily transfer to certain goods and services (Ronner, 2005). Considering that accumulation of knowledge and skills through effective HRM practices take charge of important role for that of human capital, there is a widespread belief that learning is the core factor to increase human capital. This study used human capital theory to establish the effects of human resources capabilities on implementation of procurement plans in Public Hospitals in Kenya.

### Information Systems Success Theory

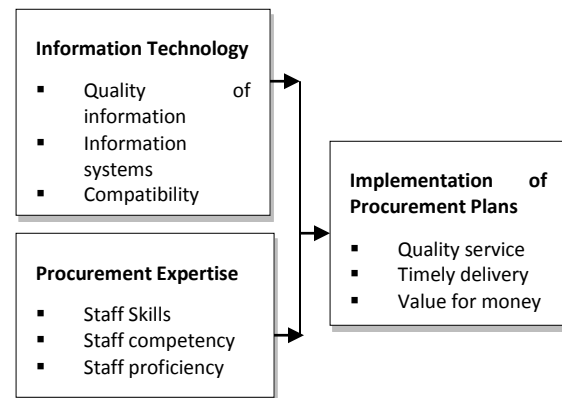
Information systems success theory proposes that system quality and information quality affect users' usage of and satisfaction with information systems, further determining organizational performance (DeLone & McLean, 2014). Service quality was later incorporated into the model. The new model argues that system quality, information quality and service quality affect usage and user satisfaction, further affecting net benefits such as increased knowledge sharing and lower costs (DeLone & McLean, 2014).

Since its inception information systems success theory has been widely applied and empirically validated in the contexts of traditional information systems and electronic commerce. Wixom and Todd (2015) noted that information quality and system quality affect data warehousing software users' satisfaction, perceived usefulness, perceived ease of use and usage behaviour. Zhang (2010) proposed that both system quality and information quality affect social networking users' satisfaction and sense of community. Lin (2008) reported that system quality and information quality affect users' trust in health infomediaries. Lin (2008) noted that system quality and information quality affect virtual community user satisfaction. Chatterjee *et al.* (2009) conducted a qualitative study and found that

system quality, content quality and service quality affect the usage of mobile technology in healthcare. Lee *et al.* (2009) found that better information quality increased the usage of mobile data services, whereas lower system quality decreased usage.

For information quality in the public hospitals, the overall quality of a system is one of the most important dimensions along which information systems are evaluated. System quality indirectly impacts the extent to which the system is able to deliver benefits by means of mediational relationships through the usage intentions and user satisfaction constructs. The information system success theory was used in this study to determine the effect of information technology on implementation of procurement plans in Public Hospitals in Kenya.

### Conceptual Frameworks



**Independent Variables**                      **Dependent Variables**

**Figure 1: Conceptual Framework**

### Procurement Expertise

The people working in the procumbent department in public hospital are the key to achieving effective implementation of the plans. Staffing competent employees involves recruiting, training and retaining a capable and adaptable workforce. Knowledgeable, dependable and versatile employees have the ability to overcome the obstacles to change, and can meet performance

goals even when other resources are scarce. If all of the other elements are present, but the workforce does not meet these criteria, then achieving the objectives may be nearly impossible (Ingram, 2012).

Procurement staff will need training, particularly in how to resolve dilemmas and competing priorities. Useful monitoring and due diligence tools include supplier engagement forums and supplier questionnaires during tendering and at other stages of the relationship such as contract renewal. Public officials should not accept benefits of any kind from a third party which might reasonably be seen to compromise their personal judgment or integrity. According to Thomson & Jackson, (2013), the actions of public officials must be above suspicion and their dealings with commercial and other interests should bear the closest possible scrutiny. It is not possible to give guidelines for every conceivable situation that may arise but if a doubt arises about a particular situation line management should be consulted (Ingram, 2012).

### **Information Technology**

The old way of doing business consists of buyers managing forecasts and communicating requirements to suppliers via phone, fax and e-mail. Spreadsheets and manual reports are passed between the trading partners. These manual processes are slow and cumbersome. They cannot support today's demand-driven enterprises. Supply chain procurement professionals spend too much time "putting out fires" and reacting to daily problems (Thomson & Jackson, 2014) they cannot seem to find the time to develop strategic relationship with suppliers and deploy improved business process that eliminate shortages (Ingram, 2012).

Factor that hinders ICT growth in developing nations are infrastructure business environment financial legal social factors such as poverty illiteracy urbanization level education factors and cultural

environment transparent manner as indicated by a mean of 3.044. The respondents agreed that government officials and elected leaders have increasingly come to realize that public agencies must utilize ICT in order to enhance the procurement processes in the public authorities are implementing scalable communication infrastructures to promote economic development by as indicated by a mean of 2.733 and 2.644 respectively (Ingram, 2012).

Government officials and elected leaders have increasingly come to realize that public agencies must utilize ICT in the public sector. Faced with tight budgets and a retiring workforce, today government agencies are operating in an environment defined by the need to do more with less. Public authorities are expected to provide excellent service to their constituents in an effective and transparent manner, all the while working under constant resource constraints by adopting ICT (Hagen & Zeed, 2015). In order to meet today's operating challenges, regional and local governments are turning to ICT to enhance the services for residents, businesses and visitors, and improve internal efficiencies by lowering costs and increasing productivity. Public authorities are implementing scalable communication infrastructure to promote economic development, attract new businesses and above all, provide excellent service to constituents (Abouzeedan & Busler, 2012). From a business perspective, implementing scalable communication infrastructures such as wide area networks (WANS) accommodates the various types of services government agencies require on a day to day basis, including provision of broadband internet access for online services and internal collaboration, handling administrative data.

## **Implementation of Procurement Plan**

Procurement plan had been defined by various authors that, is a proactive and phased approach to management of an organization's procurement process so as to achieve overall objectives of agreed procurement policies (PPRA, 2012). The historic study indicates that from the very beginning the problem persist because there was no set rules, procedures and principles followed during procurement plan process and the people involved were not procurement expert (Mlinga, 2014).

Implementation of procurement plan helps to avoid emergency procurement wherever possible, to aggregate its requirement wherever possible, both within the procuring entity and between procuring entities, to obtain value for money and reduce procurement costs, to make use of framework contracts wherever appropriate to provide an efficient, cost effective and flexible means to procure works, services or supplies that are required continuously or repeatedly over a set period of time, to avoid splitting of procurement to defeat the use of appropriate procurement methods unless such splitting it's to enable wider participation of local consultants, suppliers or constructors in which case the Authority shall determine such an undertaking and integrate its procurement budget with its expenditure programme (PPA, 2014).

## **Empirical Review**

### **Effect of procurement expertise on implementation of procurement plans**

Lema (2013) did an assessment of factors affecting implementation of annual procurement plan in local government authorities: a case study of Meru district council. The main objective of the study was to assess factors affecting implementation of annual procurement plan in LGAs. The research methodology was designed to collect data from

sixty (60) respondents through different methods such as questionnaires (open and closed ended), oral interview, internet and observation. The collected data was statistically and analyzed using Statistical Package for Social Science (SPSS) software version 16.0. The findings revealed that, delay of fund from central government and other sources, Lack of awareness on implementation of annual procurement plan, in adequate allocation of funds (insufficient budget) and Lack of knowledge on the newly introduced payments system (EPICOR) affect the implementation of annual procurement plan. Therefore, it is recommended that annual procurement plan should be adhered according to Public Procurement Acts 2004 and its regulation 2005 in order to impart efficient, cost effective and finally to obtain value for money.

Njeru (2015) did a study on factors affecting effective implementation of procurement plans in tertiary public training institutions in Kenya. A descriptive correlational research design was adopted and the target population comprised 40 tertiary public training institutions in Kenya. Stratified random sampling technique was applied to select a sample size of 35 tertiary public training institutions. Questionnaires were used as the main data collection instruments and were pretested using a pilot study for validity and reliability. Descriptive and inferential statistics data analysis results revealed that the employed procurement policies, supplier management strategies, inventory management methods, professional training and use of ICT based systems hampered effective implementation of procurement practices in over 80% of tertiary public training institutions in Kenya. It was concluded that supplier management followed by training and then procurement policies are the major factors that mostly affect effective implementation of procurement practices tertiary public training institutions in Kenya.



### **Effect of information technology on implementation of procurement plans**

Handfield (2014) study found out that integration of procurement functions with ICT has enabled many public training institutions to improve the level of effectiveness in the execution of procurement practices. A study by Sanjeeve (2014) found that implementation of ICT based procurement methods in many public institutions in Africa is hindered by lack of e-procurement methods, lack of automated procurement systems, lack of supportive ICT infrastructure and absence of ICT skills amongst procurement staff.

A study by Tanzi (2014) found that in Canada, innovation in technology has played a major role in enhancing many organizations to adopt effective procurement practices. Sobczak (2013) found that in Japan and China, the use of renewable energy such as solar and wind energy has made it possible for many firms to embrace effective procurement practices. A study by George (2013) found that in Kenya's many public institutions fail to succeed in embracing effective procurement practices due to lack of effective waste recycling technology and effective technology for utilizing renewable energy sources such as wind and solar energy.

### **Implementation of procurement plans**

Apiyo (2014) conducted a study on the factors affecting procurement planning in county governments in Kenya. A census was conducted where all the 103 staff in procurement department was issued with questionnaires. Data was collected using self-administered questionnaires to collect data. The data collected was analyzed using quantitative and qualitative techniques. The study found that, inadequate competencies of procurement staff and ICT tools affected procurement planning.

Kipkemoi, (2013) conducted a study on the effects of the elements of public procurement practices on project implementation: a case of Kericho District. The researcher adopted a descriptive research study methodology thus questionnaires, were be used to collect data. These tools were administered to a sample of 48 respondents from various departments in the 11 public sector-working groups in Kericho District. Secondary data for this study were obtained through literature review with theoretical and empirical review as well as the construction of the conceptual framework. Data analysis was done using SPSS to obtain the required statistics especially measures of central tendency like mean and standard deviation which were then presented using tables and charts. The found out that effective stakeholders involvement and through site and mobilization meetings promotes effective projects implementation and sustainability. Fraud and corrupt practices in project management causes loss of funds and undue delays in project completion. Most projects used priced bill of qualities as well as available funds to the cost and evaluating bids. The study also revealed that lack of standard costing guidelines for similar projects in different parts of the country leads to cost exaggeration.

Njeru, S. (2015) conducted a study on the factors affecting effective implementation of Procurement Practices in tertiary public training institutions in Kenya. A descriptive correlational research design was adopted and the target population comprised 40 tertiary public training institutions in Kenya. Stratified random sampling technique was applied to select a sample size of 35 tertiary public training institutions. Questionnaires were used as the main data collection instruments and were pretested using a pilot study for validity and reliability. Descriptive and inferential statistics data analysis

results revealed that the employed procurement policies, supplier management strategies, inventory management methods, professional training and use of ICT based systems hampered effective implementation of procurement practices in over 80% of tertiary public training institutions in Kenya. The study found that supplier management followed by training and then procurement policies are the major factors that mostly affect effective implementation of procurement practices tertiary public training institutions in Kenya.

### **RESEARCH METHODOLOGY**

This study employed descriptive form of research design. Mugenda & Mugenda, (2008) state that descriptive survey is a method which enables the study to summarize and organize data in an effective and meaningful way. This study targeted employees in KNH in functional departments: (1) Procurement department; (2) finance and administration; (3) directors office. In this study, both secondary and primary data were collected. Upon collection, the quantitative data from the questionnaires was coded and then fed into Statistical Package for Social Sciences (SPSS) version 20. Case summaries were generated to check for any errors in data entry.

### **DATA ANALYSIS, INTERPRETATIONS AND PRESENTATION**

The study sampled 138 respondents from which 112 filled in and returned the questionnaires making a response rate of 81.2%. On gender composition, majority of the respondents 52.7% were female whereas 47.3% were male. This implied that the study considered both gender. The study sought to find out the period served by the respondents in the organization. From the study findings, most of the respondents 38.4% had worked in the organization for 7-10 years, 30.4% for above 10 years, and 24.1% for 2-6 years while only

7.1% had worked in the organization for a period below 2 years. Most of the respondents 36.6% had worked in the current position for 5-19 years, 27.7% for 10-15 years, 18.8% indicated below 5 years whereas 17% had worked in the current position for 15-20 years. On highest level of education, majority of the respondent (61.6%) had bachelors degree, 22.3% had masters while 16.1% of the respondents had diploma as their highest level of education. This implied that all the respondents were educated to easily understand and respond to the questions of the study.

### **Effect of Information Technology on implementation of procurement plans**

The study sought to find out the extent to which information technology affect implementation of procurement plans at Kenyatta National Hospital. From the study findings most of the respondents (45.5%) indicated that information technology affect implementation of procurement plans in Public Hospitals in Kenya to a great extent, 30.4% indicated to a very great extent, 17% to a moderate extent while 7.1% indicted to a less extent. This implied that information technology affect implementation of procurement plans at Kenyatta National Hospital to a great extent. The findings concurs with Handfield (2014) who found out that integration of procurement functions with ICT has enabled many public training institutions to improve the level of effectiveness in the execution of procurement practices.

The study requested the respondents to indicate the level of agreement on statement relating to the effect of information technology on the implementation of procurement plans at Kenyatta National Hospital. From the study findings, majority of the respondents agreed that Information technology offered quality information potential for significant improvement of procurement plan implementation and that the ever changing

technology and heavy investment in ICTs had resulted in increased demand for various ICT skills. Respondents were neutral on the statement that Information technology adopted by the organization was compatible with the procurement plans. The respondents however disagreed on the statement that the organization employees were equipped with the right knowledge on information systems and that in the organization employees attend trainings to acquire IT skills.

The study further sought to find out how else information technology affected implementation of procurement plans in Public Hospitals in Kenya. From the findings, respondents indicated that some of the hardware were out dated and the employees are not properly trained on the use of the information systems. Respondents further suggested that the reliable software needed to be adopted so as to enable essay implementation of the procurement plans. The findings concur with those of Sanjeeve (2014) who found that implementation of ICT based procurement methods in many public institutions in Africa is hindered by lack of supportive ICT infrastructure and absence of ICT skills amongst procurement staff.

### **Effect of Procurement Expertise on the implementation of procurement plans**

The study requested the respondents to indicate the extent to which procurement expertise affect the implementation of procurement plans at Kenyatta National Hospital. From the findings, majority of the respondents 51.8% indicated to a great extent, 32.1% indicated to a very great extent, 8.9% indicated to a moderate extent whereas 7.2% indicated to a less extent. This implied that

procurement expertise affected the implementation of procurement plans at Kenyatta National Hospital to a great extent. The findings concurs with those of Njeru (2015) that procurement expertise is a major factors that mostly affect effective implementation of procurement practices tertiary public training institutions in Kenya.

The study further requested the respondents to indicate their level of agreement with statements relating to the effect of procurement expertise on implementation of procurement plans at Kenyatta National Hospital. From the study findings, respondents agreed that, staffing competent employees involved recruiting, training and retaining a capable and adaptable workforce, the people working in the procurement department in public hospital were the key to achieving effective implementation of the plans and that knowledgeable, dependable and versatile employees had the ability to overcome the obstacles to change, and could meet performance goals even when other resources were scarce. The respondents were neutral on the statement that in the organization employees had technical skills on procurement. The respondents however disagreed on the statements that in the organization employees had experience on application of various ICT technologies in procurement and that the staffs involved with procurement activities were proficient with procurement practices. Responses had almost similar. Similarly, Lema (2013) found that lack of knowledge and experience on the newly introduced payments system affected the implementation of annual procurement plan in local governments.

### **Implementation of procurement plans**

**Table 1: Statement relating to the implementation of procurement plans**

Statements	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Standard dev
Procurement plans in the Hospital ensures timely delivery of goods and service	16	60	18	13	5	2.38	0.193
The procurement plan implementation ensure quality service in the hospital	24	59	20	7	2	2.14	0.200
The procurement tenders are offered to the lowest bidders to save money	10	64	23	9	6	2.44	0.216
The procurement plan implementation follows the due process	14	46	28	16	8	2.63	0.134
Procurement plans implementation plan in the hospital is efficient	28	58	16	6	4	2.11	0.197

From the study findings most of the respondents disagreed on the statements that procurement plans implementation in the hospital was efficient, the procurement plan implementation ensure quality service in the hospital, procurement plans in the Hospital ensured timely delivery of goods and service and that the procurement tenders were offered to the lowest bidders to save money. The respondents however were neutral on the statement that the procurement plan implementation followed the due process. The respondents had similar opinions.

The study further requested the respondents to describe the procurement plan implementation at Kenyatta National Hospital. From the findings, respondents noted that in most cases when the procurement due process was followed and tenders offered to the lowest bidders, the lowest bidders were occasionally not in a position to deliver since their prices were in most times below the market rates.

#### SUMMARY, CONCLUSION AND RECOMMEDATIONS

The study revealed that information technology affected implementation of procurement plans at Kenyatta National Hospital. The respondents disagreed that organization employees were equipped with the right knowledge on information systems and that in the organization employees attended trainings to acquire IT skills. The study further established that information technology adopted by the organization was partially compatible with the procurement plans. The study further revealed that information technology offered quality information potential for significant improvement of procurement plan implementation and that the ever changing technology and heavy investment in ICTs had resulted in increased demand for various ICT skills. On other ways in which information technology affected implementation of procurement plans in the organization, the study revealed that some of the hardware were out dated and the employees were not properly trained on the use of the information systems.

The study established that procurement expertise affected the implementation of procurement plans at Kenyatta National Hospital. Staffing competent employees involved recruiting, training and retaining a capable and adaptable workforce. The study also revealed that the people working in the procurement department in public hospitals were the key to achieving effective implementation of the plans. Knowledgeable, dependable and versatile employees had the ability to overcome the obstacles to change, and can meet performance goals even when other resources are scarce. The employees in the hospital had little technical skills on procurement. The study further revealed employees had no experiences on application of various ICT technologies in procurement in the organization.

### **Conclusion**

The study concludes that information technology affected the implementation of procurement plans at Kenyatta National Hospital. The employees were not equipped with the right knowledge on information systems neither did they attend trainings to acquire IT skills. The information technology adopted by the organization was partially compatible with the procurement plans more so some of the hardware was out dated.

The study further concludes that procurement expertise affected the implementation of procurement plans at Kenyatta National Hospital. Employees in the hospital had little technical skills on procurement and lack experiences on application of various ICT technologies in procurement as well.

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### **Recommendations**

The study found that some of the hardware were outdated and the employees were not properly trained on the use of the information systems. There was need for the hardware to be upgraded and the employee adequately trained on the use of the information systems adopted by the organization. More so there is need to have reliable software in place to enable essay implementation of the procurement plans.

The people working in the procurement department in public hospitals were the key to achieving effective implementation of the procurement plans. There was therefore the need for employees in the hospital to be equipped with adequate technical skills on procurement. The employees should have experiences on application of various ICT technologies in procurement in the organization.

### **Areas for further Research**

The study focused on the factors influencing implementation of procurement plans in public hospitals in Kenya in reference to Kenyatta National Hospital. The study only focused on four variables namely; information technology and procurement expertise. However only part of change in the implementation of procurement plans would be accounted to the change in the four variables. There was need therefore that a study be conducted on other variables to account for the rest change in implementation of procurement plans.

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