

**FACTORS AFFECTING COMPLIANCE OF PUBLIC PROCUREMENT REGULATIONS IN KENYA: A CASE STUDY OF BUTERE DISTRICT****David Moranga Gesuka**

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**ABSTRACT**

This study proposes a conceptualization of the factors that explain non-compliance in public procurement. It is motivated by the lack of studies on public procurement compliance in Kenya, despite the evidently rampant non-complaint behaviour exhibited and a realization by recent researchers that less research has been conducted on organizational misbehaviors and non-compliance in purchasing and supply management. There are also scanty (if any) studies that have incorporated factors that contribute to compliance/non-compliance in public procurement in a comprehensive single framework such as proposed in this study. Through a review of existing scholarly works, documents, records and reports, a conceptual frame work is developed which identified organizational culture, professionalism; corruption and familiarity with rules as factors that influence compliance in public procurement. This study adopted case study research design with descriptive approach which has the ability to undertake an investigation into a phenomenon in its context. The population of the study was Butere Procuring Entity in Butere District of Kakamega County with a population of 100 and 120 permanent employees and suppliers respectively. The study purposively selected the District commissioner's office, procurement committees, procurement unit, user departments and suppliers. The selection is determined by the research purpose, questions, propositions and theoretical context. Sample and sampling technique was stratified purposive sampling with the respondents picked randomly from each stratum in a sample size of 70 respondents. Data involved both Primary and secondary sources collected through the administration of a structured Likert scaling method questionnaires, interviews and records analysis respectively. Data presentation was by both qualitative and quantitative approaches. The findings indicated that, there was some level of compliance to the legal requirements at the public procuring entity as officials endeavored to adhere to the legal requirements as revealed by the procurement record and respondents' perception of public procurement compliance / non-compliance. However, it revealed that the public procuring entity

highly suffer from professional knowledge of the procurement regulations, ethics and risks to its integrity, accountability, confidentiality and transparency and poor remunerations. It also found out that the stakeholders are unfamiliar with the regulations and less compliant. Further, it indicated that that the procuring entity suffers from chronic corruption and consequently compliance in such situation is difficult, if not impossible. Finally, it revealed the procuring entity lacking specific type of culture, characterized with openness, honesty, fairness, confidentiality, transparency and accountability which are fundamental for corporate image. These public procurement inefficiencies resulting effect is non-compliance of the law. It also offered to policy makers, scholars and professionals an opportunity to view and position compliance of public Procurement regulations as a major business process, something an organization must do to succeed but not as a waste of business resources, something that has costs exceeding the benefits. Therefore, it has provided practical implications that will assist to avert the unbridled squander of colossal amount of money through flouting of public procurement regulations.

**Key Words:** *compliance of public procurement regulations, Kenya, Butere District*

## Introduction

Today, in many countries, public procurement non-compliance or compliance has become an issue of public attention and debate, and has been subjected to reforms, restructuring, rules and regulations. In general, compliance refers to target acting in accordance with an influence attempt from the source (Payan and McFarland, 2005). From the perspective of a formal concept of compliance, the conduct of the regulated actor is compared to a formal definition of the corresponding (legal) obligation (Lange, 1999). This formal definition of compliance differs from a perspective which considers the scope and degree of compliance as the outcome of a negotiated process between a social actor and an enforcement officer (Fairman and Yapp, 2005). In this study we will use the first, more formal perspective of compliance. Compliance can be contrasted with identification, the target agrees with the goals associated with the requested behaviour (Kelman, 1958) and commitment, the target internally agrees with a decision or an action (Yukl, 1989). Procurement is the acquisition by purchase, rental, lease, hire purchase, license, tenancy, franchise, or by any other contractual means of any type of works, assets, services or goods including livestock or any combination (Public Procurement and Disposal Act (PPDA), 2005).

According to Roodhooft and Abbeele (2006), public bodies have always been big purchasers, dealing with huge budgets. Mahmood, (2010) also reiterated that public procurement represents 18.42% of the world GDP. In developing countries, public procurement accounts for a high proportion of total expenditure. For example, public procurement accounts for 60% in Kenya (Akech, 2005), Centre for Governance and Development, Kenya (2009) public procurement consumes over 65 % of the national budget and stated that Kenya spend about Ksh. 100 billion

annually in Public Procurement of goods, works and services. This is very high when compared with a global average of 12-20 % (Frøystad et al; 2010). Due to the colossal amount of money involved in government procurement and the fact that such money comes from the public, there is need for accountability and transparency (Hui et al; 2011). Therefore public procurement is certainly an important function with significant economic and political implications. An effective and efficient system of public procurement demands for great responsibility on the part of policy makers within the government, particularly those in the procurement system to ensure that public funds are spent for the benefit of the country's citizens.

In order to improve the management of public Procurement, many countries have come up with Procurement reforms. According to Arrowsmith and Trybus (2003) cited by Tukamuhabwa (2012) stated that the last decade of the twentieth century has witnessed the start of the global evolution in the public Procurement. The Public Procurement system in Kenya evolved from a crude system with no regulations to an orderly legally regulated procurement system. In the past decades, the public procurement system in Kenya has undergone significant developments. 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 have introduced new standards for public procurement in Kenya. In line with the country's public procurement reform agenda, Kenya in 2006 committed itself to become one of the 22 countries participating in the pilot testing a new Methodology for Assessment of National Procurement Systems (version 4) developed by the Organization of Economic Cooperation & Development (OECD)-DAC (Development Assistance Committee ) Joint Venture for Procurement. These regulations specify Procurement and disposal procedures that have to be followed by all persons involved in Procurement and disposal processes in order to ensure fairness, transparency, competitiveness and non – discrimination to all potential providers of goods services and works (PPDA, 2005). Nonetheless Thai (2005) asserts that challenges in public procurement go beyond procurement regulations to include procurement process, methods, organizational structure and work force. Consequently, various countries both in developed and least developed countries have instituted procurement reforms involving laws and regulations. The major obstacle however, has been inadequate regulatory compliance. De Boer and Telgen (1998) confirm that non-compliance problem affects not only the third world countries but also countries in the European Union. This position is further supported by Gelderman et al (2006) who contend that compliance in public procurement is still a major issue. Citing Yukl (1989), Gelderman et al;(2006) stipulate that compliance occurs when the target performs a requested action, but is apathetic about it, rather than enthusiastic, and puts in only a minimal or average effort. However, as an organizational outcome, compliance has traditionally been understood as conformity or obedience to regulations and legislation (Snell, 2004) cited in Lisa, (2010).

Compliance levels continue to be low in public entities in Kenya despite efforts by the Public Procurement Authority (PPOA) to put in place measures to improve compliance (PPOA, 2007,

2008). In a study by Kenya Anti-Corruption Commission (KACC, 2007), it was noted that public officials distort the Regulations to restrict the participation of interested firms in procurement, or still direct the outcome of others. Through its proactive strategy, the Commission disrupted several corruption networks, among them a tender involving Kenya Ports Authority for procurement of cranes at a cost of Kshs. 1 billion, Kenya Sugar Board for Kshs. 2.2 billion and East African Portland Cement relating to irregular procurement of clinker at a cost of Kshs. 1 billion (KACC,2009).

The study by Kenya Institute of Supplies Management (KISM 2008) that inefficiencies in public entity procurement cost the GOK about KSh.30 billion annually. Prime contributors to this inefficiency are poor procurement planning, delayed payments, corruption, poor training and limited access to information. Further study by KPMG International found out that public procurement still suffers from fraud and misconduct (KPMG, 2008).In a recent development, PPOA Report (June, 12, 2012), for Butere Procuring Entity, highlighted many areas of non-compliance with the regulation rules

This study will be carried out in Butere Procuring entity in Butere District of Kakamega County. The district is one of the nine districts of Kakamega County. The total population of permanent employees and suppliers is 420 according to record available at the Butere District Commissioner's office. The Butere Procuring entity is to be used as a case study since it is required by law to apply the Regulations in their procurement of goods, works and services. It covers an area of 356.1 square kilometers, with population of 252,415 and total household of 54,441 which represents about 15% of the county population (2009Kenya population & Housing Census, 2010). It has an annual estimated budget of above Ksh.500 million, of which 85% is accounted in procurement expenditure (District Treasury, 2012). This clearly indicates the need to have effective procurement procedures that will promote effective financial management practices which may in the end translate to better performance in service delivery.

### **Statement of the Problem**

Compliance levels continue to be low in public entities in Kenya despite efforts by the Public Procurement and Disposal Authority (PPOA) to put in place measures to improve compliance (PPOA, 2007). According to African Peer Review Mechanism (APRM) 2006 Country Review Report of Kenya revealed that roads are dilapidated, not because of lack of plans, tarmac, sand, manpower or knowledge, but because of large and small-scale corruption in the sector. It contends that tendering procedures have been skewed, contracts have not been adhered to, and substandard qualities or lesser quantities of materials have been used than agreed. This position is confirmed by PPOA (2007) Assessment of the Procurement System in Kenya which revealed considerable discrepancies between the legislative framework and the procurement function in the assessed procurement entities. According to the assessment seven public procuring entities participating in the survey undertook a total of 11,046 procurements during the assessment

period ,89.2% of these were quotations, whereas only 1.3% were open tender with a total procurement of approximately Ksh.40 billion .It further revealed areas of non-compliance as follows: Procurement planning is not carried out systematically, limited public access to procurement information , no code of ethics addressing procurement related issues ,competence development needs are not adequately addressed and procurement profession still suffers from lack of adequate procurement competencies. It concluded that the available expertise at Public procuring entities level does not meet the need for specialized procurement knowledge. This situation if not checked, may lead to unattainment of the government objectives and poor service delivery. This study sought to fill the gap by examining the factors that explain non – compliance in public procuring entities in Kenya.

However, some theorists may casually assert that complying with the new procurement and disposal law automatically improves governance (Eyaa and Oluca, 2010). Despite this evidently low public procurement compliance, not much focus has been placed on explaining non-compliance in public procurement regulations in Kenya.

## **Literature Review**

### **Professionalism and compliance**

Professionalism: is the practical and visible application of qualities and competencies covering knowledge, appropriate skills and behaviors. In a general sense, professionalism comes from knowing one has done a good job to the best of one's ability. Working within the area of professional procurement requires solid experience of the commercial world and also a deep rooted understanding of the strategy and goals of the business you are in. Today's procurement professional is faced with having to make many decisions some of which may have long term implications. Making high quality decisions in a short amount of time with confidence is a requisite competency for success in procurement (Lysons and Farrington, 2006). In order to ensure public procurement, get to gain optimum impact through the use of commercial best practice, there is a need for professional training and education of those personnel responsible for strategic direction and practical application of procurement action. Professionalism can only come from a full understanding of all the issues involved, a sound knowledge of the legal and commercial aspects and confidence to make decisions that effectively balance these tensions (Baily el, 2008)

According to Raymond (2008), professionalism in public procurement relates not only to the levels of education and qualifications of the workforce but also to the professional approach in the conduct of business activities. If the workforce is not adequately educated in procurement matters, serious consequences; including, breaches of codes of conduct occur. According to Atkinson (2003) cited in Raymond(2008), there are approximately 500,000 professional purchasing people in the United States and only 10 per cent of these have been members of a professional body and the rest are not even aware that there are ethical and legal standards involved in procurement. Raymond (2008) also linked lack of a high degree of professionalism in public procurement to corruption, which ultimately impedes compliance. The procurement

officers must be trained and aware about all regulations in relation to procurement and related procedures (Hui et al 2011). Rossi, (2010) asserts that ethical code is not only a deterrent of incorrect behaviour but also an enabler for all members of the organisation to safeguard the ethical legacy of the firm. According to Thai (2001), public procurement in itself is an extremely complicated function which requires interdisciplinary skills and knowledge (or multiple disciplines), including economics, political science, public administration, accounting, marketing, law, operations research, engineering, and architecture, among others. The purchasing role has shifted from that of a buyer to that of a purchasing professional managing strategic long-term, complex agreement between internal stakeholders and suppliers (Faes et al, 2001). For the function to be elevated to a strategic level requires professionals to possess a set of skills and competencies (Carr & Smeltzer, 2000). In Kenya, the PPOA Report (2007) revealed that lack of professionalism was high amongst public procurement officers. De Boer and Telgen, (1998) also attributed non-compliance in public procurement to lack of purchasing professionalism in the public sector. The following proposition is therefore advanced; purchasing professionalism increases public procurement compliance.

#### **Familiarity with Regulations and compliance**

According to Rossi (2010), compliance with the formal elements gives an indication of knowledge of the rules. Gelderman et al; (2006) maintained that public purchasers will comply with the rules if they perceive them as clear. They added that the simple fact that the management of a public agency is familiar with the essence of the EU rules could function as an organizational incentive to comply. It is further argued that Lack of clarity is believed to increase the possibilities for (un)deliberate non-compliance. Educating and training public purchasers will be an effective tool for increasing the compliance with the directives (Gelderman et al; 2006). Eyaa and Oluka, (2011) stated that lack of familiarity with procurement rules results into poor compliance levels. They also found out that in the Ugandan context, familiarity with procurement regulations significantly predicted compliance with procurement regulations. A study by Heneghan and O'Donnell, (2007) indicated that the high levels of non-compliance were partly attributable to the complex legislative requirements of the Irish Company Acts. Lazarides, (2011) also adds that compulsory compliance is the result of among other factors clarity or lack of vagueness of provisions. Thus increasing knowledge of the law can improve compliance

Compounding the issues implied by its overtly political and business dimensions are widespread misunderstandings and even gross ignorance within the executive structures of governments as to what procurement actually entails (Coggburn, 2003; OECD/DAC, 2003). Failure of awareness and expertise at this level commonly represents a real risk to good governance, even creating the anomaly whereby public procurement may sometimes be characterised as transparent while not accountable (Isaac, 1997)

These problems are by no means limited to developing countries (Hunja, 2003; Nagle, 1992). Even in those jurisdictions with stronger administrations the issues are poorly appreciated and

susceptible to systemic failure of accountability -- often because the agents of accountability themselves have at best a weak appreciation of the issues (e.g. Peachment, 1992). Cases have involved, for example, failures to understand when contractual relationships exist; or when the passing of information on the process constitutes breaches of confidentiality (Finn, 1997). Even where these weaknesses are exposed, it will commonly be on an occasional and exceptions basis despite the problems sometimes being ongoing and endemic.

The PPOA (2007) find out that procurement staffs in many procuring entities suffer from a general lack of information about the legal frame-work, principles, procedures and processes of procurement. This position is confirmed by The Kenya Institute of Supplies Management, (KISM, 2008) that in many of the PEs personnel capacity constraints related to poor record management, knowledge of the rules and its application in the procurement process. Thus familiarity with procurement regulations improves compliance with the regulations.

### **Corruption and compliance**

Public procurement is the government activity most vulnerable to corruption. Lack of transparency and accountability were recognized as a major threat to integrity in public procurement (OECD 2007a). According to Transparency International (2006), corruption is the misuse of entrusted power for private gain. According to Raymond (2008) stated that procurement related corruption tends to be a serious problem in developing countries rather than in developed countries.

According to the APRM (2006) country report of Kenya revealed that corruption is common and even influential government officials publicly admit this as well. Management of natural resources, construction and maintenance of roads, and delivery of health services all suffer due to poor governance. Tendering procedures have been skewed, contracts have not been adhered to, and substandard qualities or lesser quantities of materials have been used than agreed. This is supported by study of Kenya Institute of Supplies Management, (KISM 2008), that corrupt practices are clearly evident in the procurement process. These practices permeate the systems and occur at every level. The following proposition is therefore advanced; Compliance in public procurement reduces corruption.

### **Organizational culture and compliance**

Organizational or corporate culture is the pattern of values, norms, beliefs, attitudes and assumptions that may not have been articulated but shape the ways in which people behave and things get done (Eldridge and Crombie, 1974).

According to Lisa, (2010), as cited by Tukamuhabwa B.R (2012) because of regulatory reforms and changing community expectations, the role of culture in organizational compliance has gained momentum and asserted that culture plays a central role in the compliance process and associated outcomes. Basing on the competing values model(hierarchical culture), which involves enforcement of rules, conformity and attention to technical matters, individual conformity and compliance are achieved through enforcement of formerly stated rules and

procedures (Zammuto and Krakower, 1991) as cited in Parker and Bradley (2000). According to Zammuto and Krakower (1991) comprehensive organizational culture has to have competing values (Process, open systems, human relations and rational goal models). Research has suggested that the different models of culture mentioned above can and do coexist in the same organization (Parker and Bradley, 2000) and a balance of the four culture types is regarded as desirable. The following proposition is therefore advanced; Organizational culture affects public procurement compliance.

### **Research Methodology**

This study adopted case study research design with descriptive approach which yielded statistical information about a phenomenon in its context that was of interest to economic policy makers. The target population for the study was within Butere public procuring entity in Butere District of Kakamega County. It had population estimate of 300 permanent workers and suppliers estimated population of 120. The study purposively selected the following population: District Commissioner's Office, procurement Committees, Procurement Unit and User Departments and suppliers; because the selection was determined by the research purpose, questions, propositions. The data were collected using methodological triangulation, case study database and chain of evidence methods. The questionnaire was used to obtain information for study, it also enabled the researcher to collect a large sample of information in a short time and at a reasonably low cost (Mwangi, 1999) and give similar or standardized questions to the subjects making it easier for comparison. Questionnaires also enable the researcher to easily reach distant subjects by posting the questionnaires to them (Kerlinger, 1973).

### **Discussion**

It was found that 3% of respondents have worked between 0 to 5 years, 10%, for 6 to 10 years, 20% for 11 to 15 years, 34%, for 16-20 years, 23% for 21-25 years, and 10%, for 26 and above. Based on the information provided, most of the respondents have been in the organization for more than ten years which the researcher considers a long period, with such experience; the procurement function is not strange to the respondents because of interdepartmental interactions, and the perceived significance of procurement to the entire organization.

Education levels, 3% of the respondents are masters' degree, 20% for bachelors' degree, 63% for secondary leavers forming the majority respondents engaged in public procurement in the district, 7% for primary leavers and 7% for other specified.

Professional training in procurement levels, 3% of the respondents are graduate diploma, 3% for certificate level, 54% for proficiency and 40% other specified. Therefore, if professional training in procurement indicates level of professionalism then one can conclude that the procuring entity does suffer procurement specialist deficit.

### **Professionalism and compliance**

This question, on professionalism in public procurement in relation to compliance, the study considered five components, knowledge of procurement officers, certified professional training, recognition of procurement as a profession, association to a profession body and finally better pay and other remunerations. The responses for the entire component solicited negative perception with exception of recognition of procurement as a profession which had received positive responses. Therefore responses averages have representation of approximately 26%, 16% and 58% in favor, neutral and against respectively reflect low level of professionalism. Thus, the study revealed that lack of professional knowledge of the procurement regulations, ethics and risks to its integrity, accountability, confidentiality and transparency and poor remunerations the resulting effect is non-compliance of public procurement regulations.

### **Familiarity with procurement regulations and compliance**

This question, on the level of familiarity with public procurement regulations in relation to compliance, the study considered five components, clarity of the regulations, understanding levels, roles and responsibilities, overall knowledge of the rules and obedience of the rules. The findings were overwhelmingly negative with the following responses, averages have representation of approximately 16%, 10% and 74% in favour, neutral and against respectively. This implies that the more stakeholders are unfamiliar with the regulations, the less compliant they will be and the reverse is true.

### **Corruption incidences and compliance**

This question, on the corruption incidences effect on compliance levels in public procurement, the study considered five components, corruption incidences immediately reported, fairly investigated, process corruption free, records properly managed and timely enforcement of sanctions. The findings were overwhelmingly negative with the following responses, averages have representation of approximately 2%, 11% and 87% in favour, neutral and against respectively. Basing on these findings one can conclude that the procuring entity suffers from chronic corruption and consequently compliance in such situation is difficult, if not impossible.

### **Organizational cultures and compliance**

This question, on the organizational cultures effect on compliance levels in public procurement, the study considered five components, values, leadership style, norms, feelings of visible and tangible aspects and finally suppliers' relationships. The findings were overwhelmingly negative with the following responses, responses averages have representation of approximately 33%, 3% and 64% in favour, neutral and against respectively. Basing on these findings one can conclude that the procuring entity lack this specific type of culture, characterized with openness, honesty, fairness, confidentiality, transparency and accountability which is fundamental for corporate image.

Basing on these findings one can conclude that the procuring entity ,despite minimal professionalism, little familiarity with the regulations, rampant corruption and organizational

culture which is not of a specific type of culture, characterized by specific values such as openness, trust and honesty etc; there is compliance which does not adequately befit the legal framework provisions. These inadequacies of under dose of the public procurement regulations have been confirmed by the procurement records analysis and interviews' responses. From the documentary findings one can conclude that complying with the Act and regulations is far from being satisfactory, most procurement proceedings in the procuring entity don't comply with the legal framework requirements fully. From the interview findings, the respondents ' perception of public procurement non-compliance were due to the rampant inefficiencies in public entity procurement which are influenced by personnel capacity constraints, poor procurement planning, delayed payments, corruption, poor training, in access to information, and lack of supplier development mechanisms.

### **Conclusions**

The study was motivated by the lack of studies on public procurement compliance in Kenya, despite the evidently rampant non-complaint behaviour exhibited and a realization by recent researchers that less research has been conducted on organizational misbehaviors and non-compliance in purchasing and supply management. There are also scanty (if any) studies that have incorporated factors that contribute to compliance/non-compliance in public procurement in a comprehensive single framework such as proposed in this study. Through a review of existing scholarly works, documents, records and reports, a conceptual frame work is developed which identified organizational culture, professionalism; corruption and familiarity with rules as factors that influence compliance in public procurement.

The findings indicated that there was some level of compliance to the legal requirements at the public procuring entity. Officials endeavor to adhere to the legal requirements as revealed by the procurement record and respondents' perception of public procurement compliance /non-compliance. However, it revealed that the public procuring entity highly suffer from professional knowledge of the procurement regulations, ethics and risks to its integrity, accountability, confidentiality and transparency and poor remunerations. It also found out that the stakeholders are unfamiliar with the regulations and less compliant. Further, it indicated that that the procuring entity suffers from chronic corruption and consequently compliance in such situation is difficult, if not impossible. Finally, it revealed that that the procuring entity lack this specific type of culture, characterized with openness, honesty, fairness, confidentiality, transparency and accountability which is fundamental for corporate image. These public procurement inefficiencies the resulting effect is non-compliance of the law.

It has also offered to policy makers, scholars and professionals an opportunity to view and position compliance of public Procurement regulations as a major business process, something an organization must do to succeed but not as a waste of business resources, something that has costs exceeding the benefits. Therefore, it has provided practical implications that will assist to avert the unbridled squander of colossal amount of money through flouting of public procurement regulations.

## Recommendations

### Professional Training and development

The GOK, PPOA and development partners should ensure that public procurement is managed in a professional manner where individuals with high level of integrity are selected, recruited and retained to manage it. Building capacities of procurement personnel to ensure that procurement is carried out effectively and efficiently through undergoing continuous, intensive and wholesome training to improve on competence and integrity. The global environment is too dynamic, complex and thus turbulent requiring flexibility in the execution of the procurement functions. Products are changing constantly, so are specifications. Procurement officials must be fully knowledgeable of these changes to effectively perform. On same note develop suppliers' capacity so that they are better able to transact business within the public sector to enhance professionalism. The PPOA to upscale its responsibility of providing procurement related advice to procuring entities by investing significant efforts in enhancing a general awareness of the legal framework and institutional setup guiding public procurement through written guidelines sensitization activities and massive stakeholder consultation to create sound, fair, transparent and efficient procurement.

The Kenya Institute of Supplies Management (KISM who regulates both public and private sector procurement practitioners and strives to professionalize procurement practice in Kenya should ensure, promote professionalism in the procurement function and also punish procurement professionals when they do not comply. Establish credible examination board to offer professional exams. Ensure that procurement practitioners have the necessary qualifications in both public and private sectors. Last but not least Partnership with local universities and organizations to develop internship opportunities so that graduates who are produced are knowledgeable with the procurement regulations and have the necessary experience.

### Familiarity with Public Procurement Regulations

The GOK, PPOA and development partners should ensure familiarity with public procurement regulation to achieve compliance. It was established that lack of familiarity with public procurement regulations was very high amongst public procurement stakeholders. First, Public sector has to embrace the application of modern information systems at all administration levels, effective management with sound strategic planning and control, with measures that ensure that user needs are sought in time and relevant procurement planning and execution carried out in time. Use of information technology to record and manage the procurement process. Possibly the benchmarking of local or foreign best procurement practices could be of great assistance. Accompany them with written guidelines sensitization activities and ad hoc advice by simplifying the Act and regulations..

Improve access to the following information; knowledge of the procedures, processes, duties and obligations of procuring entities and suppliers related to the implementation of the Act and Regulations through the mass media, public forums, conferences and networking amongst the stakeholders about procurement opportunities .Last but not least investment on relevant and long

term, training and publicity campaigns for the stakeholders on the implementation of the Act and Regulations.

### **Corruption Incidences**

The GOK, procuring entities, PPOA and development partners should ensure corruption incidences are immediately reported, fairly investigated, process corruption free, records properly managed and timely enforcement of sanctions. It was established that the procuring entity suffers from chronic corruption and consequently compliance in such situation is difficult, if not impossible to attain. They should ensure the following measures are undertaken to curb corruption incidences:

Simplify the Act and regulation while keeping public procurement stakeholders accountable for their actions. Professional independence of public procurement officials should be enhanced to ensure fairness in public decision-making (Obanda, 2010) Fighting corruption should be given prominence by all the stakeholders. Ensure separation of public procurement roles and responsibilities. Ensure all anti-corruption laws, policies and institutions are harmonized. Invest in ant-corruption civil education to all and sundry, Empower citizens to fighting corruption Ensure watertight selection, recruitment, better pay and fair promotion to ensure transparent, accountable fair and equitable procurement of goods, works and services. Institute relevant and strong professional body for procurement specialists to punish errant member of its group. More effort should be put into providing procurement officers with appropriate skills, professional capacity and incentives to identify and manage risks for corruption (Beth 2005) Educational curricula should ensure ant-corruption and ethical issues are taught in our schools system.

### **Organizational Cultures**

The GOK, procuring entities, PPOA and development partners should ensure probity and accountability to attain higher values, higher norms, transformational leadership style, conducive environment and a mutual suppliers' relationship. It was established that the procuring entity lack culture of openness, honesty, fairness, confidentiality, transparency and accountability which is fundamental for corporate image. To achieve these virtues, the following measures should be undertaken:

Develop and maintain an environment of professionalism in the purchasing function with recognition and support at top management. Develop a complaints handling process which is cheaper and accessible for the procurement function to ensure all relevant review processes and approvals are clear and unambiguous. Promote an ethical, honest and fair dealing culture within public sector, particularly among staff involved in the public procurement function. Ensure that purchasing staff maintain an actual and perceived independence from suppliers at all times so as not to compromise the objectivity of purchase decisions. Ensure Public sector's code of conduct addresses honest and ethical behaviour in purchasing. Train purchasing staff in appropriate purchasing practices including complaints handling procedures. Ensure that all purchasing staff maintains an up-to-date knowledge of current industry advances with respect to the goods and services they are purchasing. Build relationships with suppliers to enable them to assist public sector in the choice of appropriate goods and services while still maintaining arms length

objectivity in supplier selection and monitoring processes. Ensure that procuring entities provide an opportunity for suppliers to suggest alternative options by which public sector's requirements may be met. Provide opportunities for purchasing staff to receive product information, attend new product releases, seminars etc in which industry advances are showcased. Frame requests to suppliers in terms of public sector's requirements to allow scope for innovative products and services to be tendered. Ensure that supplier selection and monitoring processes are objective and transparent. Mutually beneficial relationships are established with suppliers such that purchasing staff develop a better understanding of supply markets and suppliers have a sound knowledge of public sector's objectives and operating environment. Objective performance measures are established for supply agreements and used in regularly evaluating supplier performance

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