ROLE OF STRATEGIC PROCUREMENT ON PROCUREMENT PERFORMANCE IN PUBLIC UNIVERSITIES: A CASE OF MURANG’A UNIVERSITY COLLEGE.

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ABSTRACT
Strategic procurement is not a new term to many organizations of the world and relates to the senior executives decisions that determines the make or buy decisions in an organization. Procurement is itself an old phenomena since purchasing practice has been in existence for ages. Today, firms of the world have moved from the traditional buying practices to the modern purchasing practices by use of the internet-based strategies. This is what has influenced growth and development of strategic procurement in organizations. The aim of this particular research was to investigate the role of strategic procurement in the public universities with Murang’a University College as the case study. Given the continued explosion in use of strategic procurement by the public institutions, it is important for the public universities to consider adopting it so as to streamline their procurement practices and achieve a seamless flow of operations. A descriptive survey design was employed in this study. Both qualitative and quantitative data was collected by the researcher. Questionnaire was be the main instrument for data collection. The qualitative data was arranged into specific groups and later recoded into the SPSS software for descriptive statistics. The quantitative data was analyzed by use of the SPSS software version 23 where tables and piecharts used in the study were generated. The study established that independent variables (procurement policy, training, ICT and supplier relation management) adequately affected dependent variable (procurement performance). In this regard, procurement policy was the most significant variable (0.001) while Training was the least significant (0.017). The study recommended; implementation of organizational policies in support of strategic procurement in public institutions, heavy investment in ICT infrastructure by public institutions and annual trade workshop and seminars for all the public servants.

Keywords: Strategic procurement, supplier relation management and procurement performance.
Introduction

Procurement is essential for any given organization. In today’s world, to ensure success of any given organization, manufacturing costs, transport costs and distribution costs are to be kept as low as possible. According to Oyuke and Shale (2014), procurement is one of the fastest growing practice in the world. Over the past few years, there has been an increase in the number of transaction from the year 2012 where $75 billion transactions were recorded as compared to 2014 were approximately recorded roughly $3 trillion transactions (Oyuke & Shale, 2014). The use of strategic based procurement has the potential to significantly impact national economies as well as the competitive position for the individual firms.

Strategic procurement is the aspect of buying strategically. However, strategic procurement which has continued to receive a lot of attention from varied companies of the world has not been fully implemented in most nations of the world (Burca et al, 2005). Though strategic procurement can be defined as stated, some scholars have maintained that strategic procurement cannot yet be defined (Burca et al, 2005). Cox and Lamming (2007) defined strategic procurement as a decision made by senior executives on whether to buy or not to. Acquisition of resources must be made effective in every process and this is the reason why strategic procurement is a key factor to Investigate.

In today’s competitive business environment, many companies are trying to find new ways to achieve a competitive advantage. Many changes have happened to the view points of companies about the function of procurement. Procurement has commenced to play a more significant role in the strategy of the firm during the past few years. The recent evolvement of procurement expanded from “buying” to “procurement” and then to “supply management” has found a similar growing importance as well as supply chain management. The strategic role of procurement is an important contributor to the strategic success of the company in receiving enhanced attention. According to kipkorir (2013), firms must maximize the use of strategic based decisions (including e-procurement) in every aspect of the business, linking across all members of the supply chain, increasing the speed of information transfer, and reducing non-value adding tasks (Oyuke & Shale, 2014).

The movement away from the philosophies of mass production has brought new ways to the traditionally operational task of procurement and this has created the concept of procurement as a part of the strategic function of supply chain management which should be aligned to the overall corporate strategy. According Thai and Grimm (2011) the level of involvement of the procurement department in the corporate strategic planning process has increased through the 1970s and 1980s. Baker (1999) stated that in the 1970s and early 1980s, purchasing took a supportive function. The literature indicates the movement toward integrating procurement into the company's strategic planning process implemented during the 1990s (Cannon, 1968).

Recently, the notion of procurement has been discussed in many studies. The popularity of that topic could have emanated from many drivers, including trends in global sourcing, highlighting on time to market, product quality based competition, customer uncertainty and the requirement
to develop bottom-line costs (Kalakota & Robinson, 2012). Nowadays, procurement has an important strategic role in the value chain and is also a major driver in the extended supply chain. In the past few years, public procurement in Kenya has taken a new course. There has been key developments in the current public procurement system that have distinguished it from the procurement system of 19th and 20th century (Kipkorir, 2013). In the past, the Kenyan procurement system was regulated by the Treasury Circulars something that moved on through the 1970s, 1980s and 1990s but ended with the introduction of the Public Procurement and Disposal Act of 2005 (PPDA) and Public Procurement Regulations of 2006 (Kipkorir, 2013). However, scholars and academicians in Kenya argue that despite introduction of these procurement laws and regulations, efficiency and effectiveness of procurement within the public sector has not yet been achieved. One of the basic illustrations is the continued return of funds to the treasury by the state agencies for failure of utilization (Kipkorir, 2013).

In the financial year 2010/2011 for example the state agencies in Kenya were observed to return approximately 142.5 billions of un-utilized funds to the Kenyan treasury (Kipkorir, 2013). This is enough evidence that despite the continued effort by the government to improving on the public procurement objectives there is still a lot to be done in terms of effective operations and proper use of procurement information. In this case, strategic procurement can be defined as ‘long-range plans for ensuring timely supply of goods and services that are critical to the firm’s ability to meet its core business objectives’ (Froystad, 2010). The Kenyan public procurement system has not yet fully effective and efficient, but it has evolved from a ‘crude’ system to an orderly legally constrained system. In the past, the procurement system comprised of supplies manual supplemented by circulars that were normally issued by the treasury. In this case, the Director of the Government Supply Services had an obligation of supervising the provision of these manuals. These manuals led to creation of tender’ boards where adjudication of the tenders and awards was done (Kipkorir, 2013).

Over the years, the Kenyan public procurement system has been evaluated and rectified. In the year 2001, new procurement regulations were created that paved way for the establishment of a Procurement Dictorate (PPD) and the Public Procurement Complaints, Review and Appeals Board (PPCRAB). Even though PPD and the PPCRAB were largely independent, they still operated under the Ministry of Finance for the two heavily relied on this ministry for facilities, staff and even funding (PPDA, 2005). Few years Later, the government felt the need establishing an independent oversight authority under the law-one impartiality could not have been undermined. In the year 2005, the Public Procurement and Disposal Act was born (Kipkorir, 2013). However, it became operational in year 2007. With establishment of this law, the Public procurement Oversight Authority (PPOA) was established. What has further led to establishment of other independent bodies; Public procurement Advisory Board (PPAB) and the continueance of the Public Procurement Complaints (PPOA, 2013).
Statement of the problem

Strategic procurement is essential for competitiveness of procurement function in any organization. The overall procurement output depends on how it is strategically positioned to serve the organization. Procurement function is transitioning from a clerical non-strategic unit to an effective socio-economic unit that is able to influence decisions and add value (Lardenoije, Raaij, & Weele, 2005). Organizations that align their procurement at strategic level have a competitive edge. There is therefore need for continuous improvement for survival in the competitive business environment. Procurement as a function is faced with implementation challenges and some of these challenges include rapid developments in Technology which have led to new procurement methods.

Local studies on the area of strategic procurement have focused on the procurement activities among commercial banks in Kenya. Ngugi and Mugo (2007) analyzed the effect of procurement activities on the operation and effectiveness of commercial banks in the country. Public Universities in Kenya interact with greater global competition, cost reduction pressure, or rapid changes in technology among others. Some respond to these challenges by reducing their cost base, exploring new markets or partnerships, introducing new courses and programmes in their curriculum, or by redesigning the organizational structure to become more responsive to new trends and opportunities. These strategic initiatives impact on all functional areas of these institutions including procurement as a key functional area which contributes to realization of these strategic initiatives.

A number of studies have been done in the area of procurement. This has been mostly in developed countries and especially those that deal in manufacturing. This sought to determine the role of strategic procurement on procurement performance in Public Universities in Kenya. Kakwezi and Sony (2010) found out that procurement planning is an ingredient to service delivery, but the study focused on service delivery ignoring other measures of procurement like financial gains from cost reduction. It is therefore critical to replicate the study in a different setting and find out if the same recommendation holds among the Public Universities in Kenya. Hassan (2012) in his research concluded that procurement planning and strategies do have a direct positive impact on the performance of humanitarian organization in delivery of relief and emergency services. The study however did not bring out the strategic procurement practices to use to realize these benefits. A lot of research studies have been conducted on procurement practices but have majorly concentrated on other aspects other than strategic procurement practices in Public Universities in Kenya. This research therefore sought to bridge this research gap by investigating how strategic procurement affects procurement performance of Public Universities in Kenya.

LITERATURE REVIEW

A procurement policy is simply the rules and regulations that are set in place to govern the process of acquiring goods and services needed by an organization to function efficiently (Findlay, 2009). The exact process will seek to minimize expenses associated with the purchase of those goods and
services by using such strategies as volume purchasing; the establishment of a set roster of vendors, and establishing reorder protocols that help to keep inventories low without jeopardizing the function of the operation. Both small and large companies as well as non-profit organizations routinely make use of some sort of procurement policy (Bartik, 2009). There is no correct way to establish a procurement policy, factors such as the size of the business, the availability of vendors to supply necessary goods and services, and the cash flow and credit of the company will often influence the purchasing procurement approach. (Golder, 2007). The size of the company is likely to make a difference in the formation of procurement policy, in that a small company may not be able to command the volume purchase discounts that a large corporation can manage with relative ease (Gadde, 2007).

Procurement policy benefits the organization by keeping costs in line and clearly defining how purchases will be made (Hall, 2009). As the needs of the entity change, there is a good chance that the procurement policy will be adjusted to meet those new circumstances. This is necessary to make sure the policy continues to function in the best interests of the company or non-profit organization and keep the acquisition process simple and orderly (Günther, 2007). According to PPOA (2007), the public procurement system in Kenya has been undergoing consistent reforms with the global trend since mid-1990s, most notably within the periods covering 1997-2001 and 2005. Previous to these reforms, the legal framework governing public procurement was very amorphous, providing a conducive environment for the perpetration of various malpractices in public procurement including the endemic corruption that characterized the system. George (2010) contends that the level of compliance with procurement regulations greatly influences the efficiency of the procurement procedures in public sector organizations.

According to Patrick (2009), with the official launch of Public Procurement Reforms, the country set on the reform road in the area of public procurement by; putting in place a unified legal and regulatory framework to guide the reforms. This was realized through the gazettement of the Exchequer and Audit Act Public Procurement, Regulations (2001), which harmonized all the Treasury circulars and manuals governing procurement in the public sector. Putting in place an institution to oversee development and implementation of the public procurement policy in Kenya and improve transparency. This was realized through the creation of the Public Procurement Directorate (PPD) to oversee the public procurement process in Kenya and the Public Procurement Complaints, Review and Appeals Board (PPCRAB) to handle tendering disputes Act (PPOA, 2007).

According to Johnson (2010), the landmark in the reforms was in 2005 when the Public Procurement and Disposal Act (2005) was enacted by Parliament. The Act established an oversight body, the Public Procurement Oversight Authority (PPOA), Public Procurement Oversight Advisory Board and the Public Procurement Administrative Review Board. It amended all other laws relating to procurement in public entities ensuring that all of it is done under the umbrella of the Act thus widening the scope of application of the law and providing a proper basis for enforcement. With the gazettement of the subsidiary legislation entitled Public Procurement and

A study by George (2008) notes that in Africa many government corporations lack effective procurement policies and this influences implementation of ineffective procurement practices. Further, findings by Simpson and Power (2007) revealed that low level of procurement regulations compliance in many public training institutions in developing nations hampers effective execution of procurement functions and this impedes implementation of institutional development projects. Tanzi (2009) notes that application of poor procurement policies and lack of top management support does not promote effective implementation of procurement practice in many government institutions in East Africa. Arthur (2009) notes that many procurement managers in Kenyan state corporations lack competitive knowledge and skills on how to formulate and embrace effective procurement policies in many public institutions in Kenya. A study by Jerald (2010) notes that procurement reforms in Kenya have led to enactment of Public Procurement and Disposal Act 2005, the Public Procurement and Disposal Regulations 2006 and The Secondary Schools and Colleges Procurement Manual (2007). The manual provides procurement guidelines on KESSP related expenditure. The manuals make reference to other Ministry of Education publications that set out in a more comprehensive manner the processes to be observed in the procurement of particular items such as instructional materials and school infrastructure. The study reveals that only less that 20% of public colleges undertake their procurement practices in tandem with the Secondary Schools and Colleges Procurement Manual guidelines. Onyinkwa (2013) study on factors influencing compliance of procurement regulations in public secondary schools in Nyamache sub-county found that ethics, awareness and training influence the compliances of procurement regulations in public secondary schools. The study recommends that it is important to offer ethics education to school tendering committee members in order to ensure they serve in ultimate objectivity, accountability, and non-discrimination.

A study by Emmanuel (2007) showed that in Africa, training of procurement personnel could greatly support effective implementation of procurement practices in many public training institutions. A study by Simpson and Power (2007) found that in many African government institutions, many procurement managers are not trained on implementation of effective procurement practices and this contributes to wastage of procurement funds. A study by Arthur (2009) notes that many procurement managers in tertiary training institutions in Kenya lack competitive knowledge and skills on how to effectively embrace effective procurement practices and this hampers minimization of procurement expenditure. A study by Handfield (2009) notes that in UK, many public training institutions have succeeded in embracing effective procurement practices as a result of continuous training of procurement staff and employment of professionally trained procurement staff. Findlay (2009) notes that in South Africa, many public training institutions have not managed to embrace effective procurement practices as a result of low level
of staff competency, use of poor training methods, lack of qualified procurement staff with technical knowledge and skills on the requirements of effective procurement practices. A study by Cristianne (2008) reveals that lack of professionally trained procurement staff and employment of unqualified and incompetent staff discourages implementation of effective procurement practices in many public institutions in developing nations.

According to Baily (2007), organization with effective IT infrastructure can easily automate its procurement functions by implementing an Enterprise Resource Planning (ERP) system. ERP is a system that integrates all organizational functions into a single system in order to serve the needs of each different department within the enterprise. ERP is more of a methodology than a piece of software, although it does incorporate several software applications, brought together under a single, integrated interface. According to Lambert (2004), Electronic Data Interchange (EDI) is a communication technology used to facilitate effective execution of procurement functions by most organizations. Michael (2010), explains that Electronic Data Interchange refers to computer-to-computer exchange of business documents in a standard format. Chopra (2004) affirms that EDI describes both the capability and practice of communicating information between two organizations electronically instead of traditional form of mail, courier, and fax.

In Kenya, the concept of effective procurement has only attracted attention in private sector organizations while in public sector no measures have been made to promote implementation of effective procurement practices (Patrick, 2008). A study by Matunga, Nyanamba and Okibo (2013) on the effect of e-procurement on efficient of procurement in public hospitals established that Kisii Level 5 hospital uses e-tendering, e-quotations and e-sourcing as the main e-procurement applications and that the greatest challenges faced when using e-market provider were inadequate funding, organization’s inability to handle change management and lack of training of employees on how to use the system. The study concluded that public hospitals have adopted some of the e-procurement applications regardless of the challenges that accompany the adoption. Charles (2008) found out that over 46% of firms in Canada had succeeded in implementing effective procurement practices through application of strategic sourcing strategies such as global sourcing, multiple sourcing and supplier development. However, another study by Michael (2009) notes that in South Africa, many organizations employ single sourcing strategies and lack effective sourcing strategies for supporting effective implementation of sustainable procurement practices. Moses (2009) noted that application of poor sourcing strategies is a key impediment to implementation of effective procurement practices in many government institutions in Kenya. A study by Oyugi (2010) notes that lack of e-procurement methods, lack of automated procurement systems, lack of supportive ICT infrastructure and absence of ICT skills amongst procurement staff greatly affect the implementation of strategic procurement practices in tertiary public training institutions in Kenya.
Research Methodology

This research study adopted a descriptive survey design with Murang’a University College as the case study. For purposes of this study the target population constituted employees in the top management level, middle level managers and support staff in procurement, marketing, HRM, Accounting and finance departments. In total, 400 employees across these departments in the university will comprise of the target population. This target population is an adequate representation of the Murang’a University taskforce since the university has an approximate population of about 450 employees. In this case, a sample of 40 respondents was used from the target population of 400 (10 percent of 400). This sample was in line with an argument made by Nueman (2006) who stated that a sample which is 10 percent of the target population is sufficient to be used in a study. Semi-structured questionnaires as well as oral interviews with university procurement officers and staff members was used as the major methods of data collection. Descriptive statistics was in this case employed to analyze the data collected, where statistical measures of central tendency-mean and standard deviation were utilized to analyze data in this study. SPSS software Version 23 was the main tools of data analysis. First, the questionnaires retrieved from the respondents were screened for completeness before the information was coded and stored in a safe drive ready to be transferred to the SPSS software where inferential and descriptive statistics were run.

Study Finding and Discussion

Multiple Regression Analysis

The researcher used the SPSS software version 23 to code and compute measurements of the multiple regression of the study. Kothari (2008) stated that regression analysis is a statistical process of estimating the relationship between the variables. It is normally argued that the regression analysis helps in generating equations revealing statistical relationship between predictor variable or variables and response variable. The regression equation was be expressed as \( Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon \), where, \( Y \) is the Supply chain performance, \( \beta_0 \) is constant (coefficient of intercept), \( X_1 \) represents procurement policy; \( X_2 \) training; \( X_3 \)-Information Communication Technology; \( X_4 \) represents supplier management; \( \varepsilon \) is the error term and \( \beta_1 \ldots \beta_4 \) are the regression coefficients of four variables.

Regression Analysis

The study employed a multiple linear regression analysis to determine the relationship between the dependent variable (Procurement performance) and independent variables (Procurement policy, Training, ICT and Supplier relation management). In this regard, the four independent variables were observed to explain 77.5 percent of the procurement performance as represented by R2 in Table 4.10. This is an indication that other factors not studied in this research study contributesto 22.5 percent of procurement performance. Therefore, further research should be undertaken to investigate the other factors (22.5%) that affect procurement performance in the
Kenyan Public Universities. The significance value was 0.023 lesser than 0.05 an indication that the model was statistically significant in predicting how independent variables (Procurement policy, Training, ICT and Supplier relation management) affect dependent variable (procurement performance).

**Table 4.10: Model summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted Square</th>
<th>R</th>
<th>Change Statistics</th>
<th>Change</th>
<th>Sig. F Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>.645</td>
<td>.775</td>
<td>.7725</td>
<td>6.724</td>
<td>.023</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

According to the ANOVA and F statistics in **Table 4.11**, the F calculated (6.724) was higher than the F critical (3.448) at 5 percent level of significance an indication that the investigated independent variables (Procurement policy, Training, ICT and Supplier relation management) affect procurement performance in the Kenyan Public Universities with reference to Murang’a University College.

**ANOVA**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>4</td>
<td>21.038</td>
<td>6.724</td>
<td>.023</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>28</td>
<td>12.205</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>32</td>
<td>125.879</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Procurement performance

b. Predictors: (Constant), Procurement policy, Training, ICT and Supplier relation management

The regression equation becomes:

\[ Y = 0.584 + 0.419X_1 + 0.207X_2 + 0.338X_3 + 0.403X_4 \]

In this regard, taking all independent variables constant at zero, the procurement performance remained constant at 0.584. also, taking other independent variables to be zero, a unit increase in procurement policy will result to 0.419 increase in procurement performance and this was statistically significant at 0.001, a unit increase in Training will result to a 0.207 increase in
procurement performance and it was statistically significant at 0.017, a unit increase in ICT will
results to a 0.338 increase in procurement performance and was statistically significant at 0.009
while a unit increase in supplier relation management will result to a 0.403 increase in procurement
performance and was statically significant at 0.003 as in Table 4.12.

Multiple regressions

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
</tr>
<tr>
<td>Procurement policy</td>
<td>.419</td>
<td>.183</td>
<td>.119</td>
</tr>
<tr>
<td>Training</td>
<td>.207</td>
<td>.140</td>
<td>.107</td>
</tr>
<tr>
<td>ICT</td>
<td>.338</td>
<td>.179</td>
<td>.040</td>
</tr>
<tr>
<td>Supplier relation management</td>
<td>.403</td>
<td>.119</td>
<td>.005</td>
</tr>
</tbody>
</table>

The most significant variable was procurement policy (0.001) for its level of significance was the
least (almost zero) while Training was the least significant (0.017) for its level of significance was
the closest to 0.05 what was the significance level of the regression model adopted.

Procurement policy

Procurement policies are simply rules and regulations that are set in place to govern the process of
acquiring goods and services needed by organizations to run their day to day activities. This study
sought to investigate if procurement policy had an effect on procurement performance in public
universities in Kenya. In this regard, 66 percent of the respondents agreed that procurement policy
does affect procurement performance, 14 percent disagreed while 20 percent were not sure. This
is a clear indication that actually procurement policy did affect procurement performance in
Murang’a University college. Further, the study established that procurement policy was the most
significant factor (0.001) affecting procurement performance. This concurred to earlier findings
made by Findlay (2009) who argued that procurement policies in an organization highly influences
the organizational performance both in profit-making as well as efficiency in getting things done.
Further, Bartik (2009) established that procurement laws and regulations were not only important
to the profit-making organizations but also non-profit making institutions since it lays down
sourcing plans for the company cutting down cost and improving on the quality and quantity of
purchase.
Training

Training is important and gives employees broader knowledge to enable them to effectively use new technology and integrate it into the workplace. This study sought to investigate if training had an effect on procurement performance in public universities in Kenya. From the study findings, 58 percent of the respondents agree that training had an effect on procurement performance. However, 28 percent of the respondents disagreed while 14 percent were not sure of if it had an effect or not. This is an indication that training had an effect on procurement performance in Murang’a University College. This finding was in line with findings made by Compton (2007) who suggested that effective execution of organization procurement procedures greatly depended on the level of employees’ training since lack of professional trained staff on procurement functions limits the ability of the organizations to embrace procurement best practices through benchmarking. Further, Charles (2007) contended that lack of professional training was a key impediment to maintenance of high level of professionalism in the execution of procurement procedures in many public sector organizations.

Information Communication Technology

ICT is quite an important infrastructure for any given organization in today’s world. One of the basic objectives of this study was to investigate if ICT affected procurement performance in public universities in Kenya. From the study findings, 69 percent of the respondents agreed that ICT had an effect on procurement performance. 20 percent of the respondents disagreed while 11 percent were not sure if it had any effect or not. This stipulated that in real sense ICT did affect procurement performance in Murang’a University College. This finding was in line with previous findings made by Chang (2008) who affirmed that IT did play a very great role towards supporting adoption of centralized procurement systems in public sector organizations. Further, Ken (2007) asserted that IT reaches almost every aspect of procurement and enhances and deepen the effort of procurement reform in the public institutions. Golder (2007) on the other hand established that organizations that fail to integrate procurement functions with information communication technology systems like electronic data interchange employs manual procurement procedures that are inefficient and ineffective and leads this to wastage of procurement funds since the procurement processes are characterized by a low degree of transparency.

Supplier relation management

Supplier relation management is crucial for any given organization particularly for survival in the current competitive world. This study sought to investigate if supplier relation management had an effect on procurement performance in Kenyan public universities. In this regard, 72 percent of the respondents agreed that supplier relation management had an effect on procurement performance. 23 percent were of a contrary opinion while 5 percent were not sure. This is an indication that supplier relation management adequately affected procurement performance in Murang’a University College. This concurred with earlier findings made by Hughes (2010) who contended that supplier relationship management is a comprehensive approach to managing an
enterprise's interactions with the organizations that supply the goods and services it uses. The goal of supplier relationship management (SRM) is to streamline and make more effective the processes between an enterprise and its suppliers just as customer relationship management (CRM) is intended to streamline and make more effective the processes between an enterprise and its customers. Further, Cooper (2005) added that SRM includes both business practices and software and is part of the information flow component of supply chain management (SCM). Supplier Relation Management is therefore vital for any given organization and greatly impacts on organizational procurement performance (Hughes, 2010).

Conclusion
The study concluded that procurement policy, Training, ICT and Supplier relation management influences procurement performance in the Kenyan Public Universities. Procurement policy was in this case declared the most significant factor followed supplier relation management. The study further concluded that 77.5 percent of the procurement performance in Kenyan public universities was explained by procurement policy, Training, ICT and Supplier relation management.

Recommendations
The study made the following recommendations:

1. Implementation of organizational policies and regulations in support of strategic procurement functions in public universities in Kenya. In this case, the researcher argues that to adequately achieve effectiveness in procurement performance in public universities there needs to be guidelines laid by the institutions alongside the public procurement guidelines. Such policies and regulations will act as back up to the public procurement policies. Laws and regulations enforced by the government itself. It will also be easy to hold individuals accountable for their actions.

2. The Kenyan public Universities to heavily invest in ICT tools and integrated systems such as the ERP and MRP II systems so as to shift from the traditional supply chain networks to a modern supply chain network where it is possible to do all of the procurement activities on line. Kenya as a developing nation has made huge investments in improving the state of technology in the country. This is because, technology is everything today and for the public institutions to realize their set goals and objectives, they have to change with the changing environment which is highly influenced by technology today.

3. Annual seminars and trade workshop for all public servants. According to Charles (2007) most of the public servants lack the required skills and expertise to execute procurement activities due to lack of adequate training. This has highly costed the Kenyan government huge loss in terms of money lost in the public procurement process. Regular training of the public servants will help reduce money lost along the procurement process and adequately reduce the malpractices in most public institutions.
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