FACTORS INFLUENCING THE EFFECTIVENESS OF PROCUREMENT PROCESS IN THE PUBLIC SECTOR, THE CASE OF YOUTH ENTERPRISE DEVELOPMENT FUND

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ABSTRACT

The effectiveness of an organization’s procurement function is dependent on the process, laws and policies that have been laid down to govern its operations. Most organizations executive management has realized that managing procurement must emerge as a critical core competency if organizations are to sustain themselves effectively. Procurement plays a very vital role in Economic growth and Development of any institution if well managed. The Youth Enterprise Development Fund (YEDF) was established by the government of Kenya in 2006 to provide a lending facility to the youth, with low interest rate and flexible collaterals, with an aim of supporting youth-owned enterprises and to enable other youths to start micro and small enterprises (Ministry of Youth Affairs and Sports 2009). A sample of 60 employees was selected to be used in the study using stratified random sampling. Data was collected by the use of questionnaires. Out of the 60 selected only 53 returned the questionnaires. The responses in the questionnaire were tabulated, coded and processed by the use of computer Statistical Package for Social Scientists. The study found out that there was a relationship between ethics and effectiveness of the procurement process. The study also found out that employees were not adequately trained and qualified but had the urge attend trainings and get academic qualifications. Also the study found a positive relationship between records management and effectiveness in procurement management

Key Words: Procurement Process, Public Sector, Youth Enterprise Development Fund, Employee Training
Introduction

The landmark reforms in the procurement processes was in 2005 when the Public Procurement and Disposal Act, 2005 was enacted by Parliament. The Act established three independent bodies; an oversight body, the Public Procurement Oversight Authority (PPOA), Public Procurement Oversight Advisory Board and the Public Procurement Administrative Review Board. The Act repealed all other laws relating to procurement in public entities ensuring that all procurement is done under one umbrella. With the gazette of the subsidiary legislation, the Public Procurement and Disposal Regulations 2006, the law became operational on 1st January, 2007 (Kirugu, 2010 PPOA Bulletin).

In Kenya, there have always been cases of corruption and misappropriation of funds. The illiteracy and the ignorance of the people have made the situation worse as people are neither aware nor involved in the political and administration process. Consequently, the people are always duped when it comes to the question of procurement. In the public sector, service delivery is one of the most critical issues that demand the attention of both citizens and the officials. With proper procurement processes, projects would be quickly completed and service delivery would be efficient. However, this is not the case that is experienced in government institutions and also the national government. The government of Kenya has put in place procurement laws and regulations that are envisaged and that will maximize economy and efficiency. These laws are also meant to check and promote integrity, increase transparency and accountability in all the procurement procedures including the procurement process in government institutions.

Statement of the Problem

Despite an increase in knowledge in the procuring processes in public entities according to Public procurement and Disposal Act (2005), very little has been done to analyze the factors influencing the effectiveness of procurement process in the Public sector in terms of Tribalism, politics, nepotism, delays, inefficient, fairness, competitiveness, accessibility, transparency, openness, integrity and profitability. The procurement processes in the Youth Enterprise Development Fund continues to face numerous challenges. Procurement involves a lot of processes for it to be done effectively at all times. There have been several challenges which have been identified to be facing the procurement process in the institution and there have been
diverse mitigation measures that have been put in place to ensure that the procurement processes are running smoothly. One of the major limitations to the success in the procurement process is the limited research and data available to identify the factors that influence the effectiveness of the procurement processes. As such this research is important especially on the case study YEDF which is an institution with a big budget and numerous procurement processes and projects. These challenges have to be investigated, studied and mitigated.

**Objectives of the Study**

This study was guided by the following specific objectives:

(i) To examine the influence of ethical practices on the effectiveness of procurement process in the Public Sector.

(ii) To establish the extent of training on employees influencing the effectiveness of procurement process the in Public Sector.

(iii) To examine the influence of record management on the effectiveness of procurement process in Public.

**LITERATURE REVIEW**

**Review of Related Theories**

**Contingency Theory**

Contingency theory is a class of behavioral theory that claims that there is no best way to organize a corporation, to lead a company, or to make decisions. Instead, the optimal course of action is contingent (dependent) upon the internal and external situation. Several contingency approaches were developed concurrently in the late 1960s. Historically, contingency theory has sought to formulate broad generalizations about the formal structures that are typically associated with or best fit the use of different technologies. The perspective originated with the work of Joan Woodward (1958), who argued that technologies directly determine differences in such organizational attributes as span of control, centralization of authority, and the formalization of rules and procedures.
Mohsini and Davidson (1986) made use of contingency theory to examine the effects of structure and environment on performance, measured using the concept of conflict. Ireland (1983:25) indicates that he has used contingency theory to identify managerial actions affecting procurement performance. Kelly and Fleming (1986) and Brandon (1987) have attempted to take this further and build models of the procurement system. This theory is relevant to the study since the study looked into the aspects of ethical practices in the procurement process, staff training and qualifications and record management in procurement and how it influences effectiveness of a procurement process in a formal structure commissioning, operation and maintenance. (McCaffer, 2001).

**Institutional theory**

The institutional theory is the traditional approach that is used to examine elements of public procurement (Obanda, 2010). Scott (2004) identifies three pillars of institutions as regulatory, normative and cultural cognitive. The regulatory pillar emphasizes the use of rules, laws and sanctions as enforcement mechanism, with expedience as basis for compliance. According to Scott (2004), institutions are composed of cultural-cognitive and regulative elements that, together with associated activities and resources give meaning to organization’s life.

In Kenya, public procurement has is guided by the PPDA Act 2005 regulations and guidelines which are from time to time issued by the Public Procurement Oversight Authority only and which must complied with to the latter by all the public entities and providers. Public procurement regulations (2006) and guidelines direct procurement activities in the public sector. From the three pillars of institutions propounded by Scott 2004, organizational culture, social influence, organizational incentives and enforcement are identified as antecedents of compliance to procurement rules. This theory helps to explain the variables in the public sector and how it affects effectiveness of procurement process.

**Bloom’s Taxonomy of Learning Theory**

Bloom (1956) produced taxonomy of learning theory which is helpful in identifying different cognitive skills. He identified six levels in this scheme; knowledge, comprehension, application, analysis, synthesis and evaluation. Movement from level 1 to level 6 represents an increase in the level of sophistication of cognitive ability. From strategic thinking perspective, higher demands are made of the skills associated with analysis, synthesis and evaluation. At operational and
tactical level; knowledge, comprehension and application may be more heavily utilized. There are implications with this theory for the ability to learn; from the point of view of attributes in relation to personnel issues with regard to staffing, training and education. Sophisticated levels take on greater importance when analyzing situations in terms of relevant factors and the relationships between them, or developing, through synthesis, a picture of the wider system and its functioning as a whole as a result of the inter-dependency of its parts. An example in procurement is the ability to understand each stage of activity in the process, as one side of the coin, but also to appreciate how the stages interrelate and to consider the performance of the system as a whole. Learning is not attempting to transfer a body of knowledge as if it were an inert commodity to be regurgitated in an exam and then promptly forgotten. It should serve more useful purpose to enhance procurement performance through embracing best practice.

Conceptual Framework

Figure: 2.3.1 Conceptual Framework

<table>
<thead>
<tr>
<th>INDEPENDENT VARIABLES</th>
<th>DEPENDENT VARIABLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethics and procedures in public procuring entities.</td>
<td>Effective procurement process</td>
</tr>
<tr>
<td>• Ethical standards</td>
<td>• value for money</td>
</tr>
<tr>
<td>• Bureaucracy levels and Too much red tapes and paperwork.</td>
<td>• integrity and fairness</td>
</tr>
<tr>
<td>• Reliance on rigid rules and policies.</td>
<td>• fair competition</td>
</tr>
<tr>
<td>• Levels of corruption</td>
<td></td>
</tr>
<tr>
<td>Staff training and programs</td>
<td></td>
</tr>
<tr>
<td>• Professional qualification</td>
<td></td>
</tr>
<tr>
<td>• Frequency of Training</td>
<td></td>
</tr>
<tr>
<td>Records management systems and procurement effectiveness.</td>
<td></td>
</tr>
<tr>
<td>• Prompt and accurate recording of every transaction.</td>
<td></td>
</tr>
<tr>
<td>• Posting system (computer or Manual posting system).</td>
<td></td>
</tr>
</tbody>
</table>
Accountability measures (Stock taking and auditing)
Storage capacity

**Ethics and procedures in public procuring entities**

Ethics are the guidelines or rules of conduct by which we aim to live on. Organizations like individuals have ethical standards and frequently ethical codes (Peter and Bailey 2005). The ethical standards of an organization are judged by its actions and the actions of its employees, not by pious statements of intent put out in its name. According to Kothari (2004) emphasizes on procurement ethics being important in procurement for the following reasons: procurement staffs are the representatives of their organization in dealing with suppliers, sound ethical conduct in dealing with suppliers is essential to the creation of long-term relationships and the establishment of supplier good will, it is impossible to claim professional status for procurement without reference to a consideration of its ethical aspects.

Ethics are the moral principles or values that guide officials in all aspects of their work (Wee, 2002). Ethical behavior encompasses the concepts of honesty, integrity, probity, diligence, fairness, trust, respect and consistency. The division between public and private sectors creates two different worlds, requiring different approaches to procurement (Saunders, 1997). Public ownership imposes obligations with regard to public accountability, leading to prescribed procedures and policies. Jessop and Jones (2005) argued that public procurement procedures tend to be characterized by high levels of bureaucracy independent of order value; poor communications and focusing on unit price rather than long-term relations.

Burt et al. (2010) stated that every organization develops procedures to enable its personnel implement policies and plans; designed to meet her objectives. In Kenya, Parliament prescribes a framework within which policies relating to public procurement and asset disposal shall be implemented and may provide for preferences or sanctions against contractors failing to perform according to professionally regulated procedures, contractual agreements or legislation or persons found guilty of corrupt practices. Parliament enacted the Public Procurement and Disposal Act (PPDA), 2005 and the operations of Public Procurement and Disposal Regulations (PPDR), 2006. This law establishes procurement procedures for different methods of procurement with the aim of increasing public confidence, promoting local industry and stimulating economic development. Jones and George (2009) postulated that bureaucratic
control mechanism is controlled by a comprehensive system of formal rules and standard operating procedures (SOPs) that shapes and regulates the behavior of divisions, functions and individuals. SOPs and rules allow employees to perform activities efficiently and effectively. Moneska et al. (2010) held that the procurement function has a significant impact on corporate performance. Thus, traditional procedures are becoming obsolete in modern organizations. Procedures provide guidance that staffs follow in performing activities, put constraints on behavior and show how the procurement function should work to achieve strategic objectives.

**Staff Training**

Saunders (1997) believed that successful functioning of organizational structures and effective operation of planning control systems is dependent on the quality and ability of staff employed. Strategic plans should include information on the acquisition, development, use and reward of human assets. Plans need to take into account the current state of development of the procurement function and the strategic direction in which its state might change. Multi-skilling provides employees with a variety of skills and should be developed extensively. Training is beneficial and generates more than the equivalent cost in payback. To further the goals of value-based management, all employees need broad and continuous education and training. Education, training and professional development should be skill, process oriented and continuous. Cousins (2003), stressed that with the ever increasing popularity of purchasing partnership philosophy, organizations must take a closer look at the educational levels of procurement staff. With procurement’s perceived movement from a clerical service to a strategic business function, the caliber of staff in terms of training, education and skills must increase to fulfill its strategic potential. The author asserted that employees need to learn new skills for improving work performance. A motivated team whose members work for and with each other can beat a team of less motivated people even if they are greater in talent. To improve procurement performance, it is essential to understand the roles that are to be performed, the standards to be achieved and how performance is evaluated. Understanding is what allows an employee to become an innovator, initiative taker, and creative problem solver in addition to being a good performer on the job, (Goetsch& Davis, 2006). They list benefits of training as improved productivity, quality, safety and health, communication and better teamwork. The value-based procurement management paradigm requires a rethinking of the management of human resources. Education must cross
necessary boundaries and motivate procurement team performance. However, simply possessing knowledge is less important than applying it. Attention should be moved to skills of doing jobs and demonstrating competences.

**Records management systems and procurement effectiveness**

Records, asserted Thurston (2002), are critical to the operations of any organization. No entity can operate successfully if it relies on human memory alone to keep track of her transactions. Procurement records are a vital resource to any organization that strives to conduct operations effectively. Organizations need accurate and accessible records that are tamper-free, original, reliable and able to reveal institutional memory for informed decision making. David (2005) opined on the future of managing electronic records, which is complex and goes beyond the procurement of a RMS. He contended that firms need an understanding of current ICT trends and business processes and must accept that records systems are products of the moment. The future lies in electronic systems that are more recent in business logic and more useful in business support. Rembe (2011) observed that RMS should be accorded a high organizational status and ranking in terms of budgetary allocation, investment in human resource development, records storage space and equipment. It should be viewed as a critical support function. PEs need to strive to appoint procurement records officers with clearly defined record keeping duties.

**Effective of the Procurement process**

**Value for Money**

Value for money (VFM) is the most important principle of procurement. VFM in the public sector entails consideration of the contribution to be made to advancing government policies and priorities while achieving the best return and performance for the money being spent (Bauld and McGuinness, 2006).

Sometimes the government is at liberty to consider other criteria than the lowest price; for example technical capabilities, qualifications of key personnel, and past performance records in awarding contracts to potential suppliers (Cummings and Qiao, 2003). Some of the barriers which need to be overcome in order to achieve VFM are weak governing bodies, politics, tradition, and lack of education and training programs (Palmer and Butt, 1985). Procurement is a purchasing activity whose purpose is to give the procuring entity or project owner best value for
money. For complex purchases, value may imply more than just price, for example, since quality issues also need to be addressed. Moreover, lowest initial price may not equate to lowest cost over the operating life of the item procured. But the basic point is the same: the ultimate purpose of sound procurement is to obtain maximum value for money.

**Ethical Standards**

Ethics is another important principle of government procurement. Purchasing professionals are held to higher standards of ethical conduct than people in other professions, yet some do not even know what is expected of them (Atkinson, 2003). If the workforce is not adequately educated in such matters, this may lead to serious consequences; including, breaches of codes of conduct.

**Transparency**

The function of transparency is also important in procurement and it refers to openness. Transparency therefore is an essential aspect of ensuring accountability and minimizing corruption, and has gained prominence in Organizations for Economic Cooperation and Development (OECD) countries, and is particularly associated with the rise of the governance agenda as transparency is a core governance value (Smith-Deighton, 2004).

**Accountability**

At the national level public senior procurement officials have to deal with a more competitive environment than has been the common practice in the past. The public is also demanding greater accountability and better service (Gunasekaran, 2005). Therefore, managing the risks associated with the complex competitive environment give rise to accountability problems (Barrett, 2000) as the roles and responsibilities of the participants in the process are not clear. Good procurement holds its practitioners responsible for enforcing and obeying the rules. It makes them subject to challenge and to sanction, if appropriate, for neglecting or bending those rules. Accountability is at once a key inducement to individual and institutional probity, a key deterrent to collusion and corruption, and a key prerequisite for procurement credibility.
METHODOLOGY

The section describes the research design, the target population and sampling methods and sample size, data collection tools, validity and reliability, pilot study, data collection tools, and data analysis method.

Research design
The research design is the structure that holds the entire required element in the study together and gives a concrete report to the researcher (Kombo and Tromp, 2011). Descriptive survey research design was adopted for this study. This design is appropriate because it gives an opportunity for one aspect of a problem to be studied in-depth with minimal expenditure of effort, time and money.

Target Population
Target population is that set of elements that the researcher focuses upon and to which results obtained by testing the sample should be generalized (Orodho, 2005). The study targeted the procurement professionals, administrative officers and accounting officers at the Youth Enterprise Development Fund from the 11 regions.

Sampling Design and Sample Size
Sampling is the process by which a relatively small number of individuals, objects or events are selected and analyzed in order to find out something about the entire population from which it was selected. The research will use stratified random sampling because it will enable representation of each region under study, that is, Nairobi, lower eastern, Upper Eastern, Central, South Rift, North Rift, Nyanza, Western, Coast, North Eastern and allows generalization of a larger population with a margin of error that is statistically determinable (Mugenda & Mugenda, 2003).
**Table 3.1 Data Collection Procedures /Instrument used**

<table>
<thead>
<tr>
<th>Region</th>
<th>Total number of workers in regional offices</th>
<th>Sample size 10 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nairobi</td>
<td>80</td>
<td>8</td>
</tr>
<tr>
<td>Lower Eastern</td>
<td>53</td>
<td>6</td>
</tr>
<tr>
<td>Upper Eastern</td>
<td>50</td>
<td>5</td>
</tr>
<tr>
<td>Central</td>
<td>60</td>
<td>6</td>
</tr>
<tr>
<td>South Rift</td>
<td>55</td>
<td>6</td>
</tr>
<tr>
<td>North Rift</td>
<td>60</td>
<td>6</td>
</tr>
<tr>
<td>Nyanza</td>
<td>60</td>
<td>6</td>
</tr>
<tr>
<td>Western</td>
<td>60</td>
<td>6</td>
</tr>
<tr>
<td>Coast</td>
<td>62</td>
<td>6</td>
</tr>
<tr>
<td>North Eastern</td>
<td>35</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>595</strong></td>
<td><strong>60</strong></td>
</tr>
</tbody>
</table>

Source (YEDF 2010)

**Data Collection Procedures/Instruments used**

This research employed both primary and secondary methods of data collection. For primary data, questionnaires were structured and administered to selected respondents. The questionnaire had both closed and open ended questions. For secondary data, books, journals, manuals, magazines and newspaper articles related to effective procurement process was used.

**Validity of Research Instrument**

According to (Mugenda and Mugenda, 2003) validity is the accuracy and meaningfulness of inferences, which is based on the research results. It is a degree to which results obtained from the analysis of the data actually represents the phenomenon under study. The questionnaires will be subjected to scrutiny by researcher's supervisor. The reliability of the questionnaire will also be measured statistically using Cronbach’s Alpha.
Pilot test
Before the actual study, it was crucial to conduct a pilot study. Robson (1993) argued that piloting provides opportunity for researchers to test their confidence in identifying shortcomings that may affect the actual collection of useful data. The researcher carried out a pilot test on 10 employees of Public Procurement and Oversight Authority (PPOA). PPOA was left out during the main study.

Data Analysis Presentation
Data analysis is a practice in which raw data is ordered and organized so that useful information can be extracted from it. Tables, charts, percentages and textual write-ups of the data gathered among others were used in the case of the quantitative technique, while descriptions and pictures were used in the case of the qualitative analysis.

FINDINGS AND DISCUSSIONS
The section deals with presentation, analysis and interpretation of data obtained from respondents.

The study sought to investigate the factors influencing the effectiveness of procurement process in the public sector, the case Study of the Youth Enterprise Development Fund. The three major factors that were considered ranged from ethical practices, staff training and records management.

Ethical Practices on the procurement process

Table 4.1 Ethical Practices on the procurement process
The study adopted a point Likert scale to measure the ethical practices and procedures that influence effectiveness of procurement process in the public sector. The Likert Scale has been weighted as Very High (V.H) = 5, High (H) = 4, Neutral (N) = 3, Low (L) = 2 and Very Low (V.L) = 1.

<table>
<thead>
<tr>
<th>STATEMENTS</th>
<th>V.H</th>
<th>H</th>
<th>N</th>
<th>L</th>
<th>V.L</th>
<th>Weighted Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>i. How do you gauge the rate of corruption in the procurement process at the Youth Enterprise Development Fund?</td>
<td>13</td>
<td>16</td>
<td>12</td>
<td>5</td>
<td>8</td>
<td>3.45</td>
</tr>
</tbody>
</table>
The presentation above shows the perceptions of respondents on the effects of ethical practices and procedures on procurement process. Corruption at the Youth Enterprise Development Fund was rated to be High (Weighted mean 3.45). In addition, the organization’s policy on regular reviews or audits of procurement processes to ensure probity is being considered and achieved was rated High as well (Weighted mean 3.71), Extent to which ethics affect procurement process was rated High(Weighted mean 3.79 ), level of bureaucracy and red tape at the Youth Enterprise Development fund was rated High (Weighted mean 3.84), the enforcement and compliance with the PPDA (2005) Act was rated Low, effect of corruption on the effectiveness of procurement in the public sector was rated High( Weighted mean, 4.32) while PPDA’s effect on the effectiveness of procurement performance at the Youth Enterprise Development Fund was rated as High( Weighted mean, 3.74).

It is clear from the from the study findings that in as much as there is a laid down Procurement Act coupled with the organizations policy on zero tolerance to corruption, integrity issues still remains a major problem factor that highly affects the effectiveness of the procurement process at the Youth Enterprise Development Fund.
Regression analysis

Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.878(a)</td>
<td>.770</td>
<td>.766</td>
<td>.662</td>
</tr>
</tbody>
</table>

a Predictors: (Constant), Extent to which ethics affect procurement process

ANOVA(b)

<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>Regression</td>
<td>74.941</td>
<td>1</td>
<td>74.941</td>
<td>171.065</td>
<td>.000(a)</td>
</tr>
<tr>
<td>Residual</td>
<td>22.342</td>
<td>51</td>
<td>.438</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>97.283</td>
<td>52</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Predictors: (Constant), Extent to which ethics affect procurement process

Dependent Variable: Effectiveness of procurement process.

Coefficients (a)

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>1.250</td>
<td>Std. Error 1.76</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>Extent to which ethics affect procurement process</td>
<td>.873</td>
<td>.067</td>
<td>.878</td>
<td>13.079 .000</td>
</tr>
</tbody>
</table>

Dependent Variable: Effectiveness of procurement process

The relationship between the dependent variable and independent variables was analysed using regression analysis. In this case, the dependent variable was effective procurement process whereas the independent variable was ethical practices and procedures. The summary regression results show that the regression model had a correlation coefficient of $R = 0.878$ indicating that the dependent variable and independent variable had a high degree of correlation.
The model also showed that 77% of the variation in effectiveness of procurement process was explained by the variation in ethical practices and procedures. This was shown by the coefficient of determination value of $R^2=0.770$. The adjusted coefficient of determination (Adj R Squared) was less than the adjusted Coefficient of determination as it should always be (Adj R Squared=$0.766 < R^2 = 0.770$). This implied that about 76.6% of the variation in effectiveness of procurement process was actually explained by the variations ethical practices and procedures.

The regression results based on the standardized beta coefficients show ethical practices and procedures improve effectiveness of procurement process by 0.878 standard deviations on average holding the other factors constant.

**Employee Training on procurement process**

Saunders (1997) believed that successful functioning of organizational structures and effective operation of planning control systems is dependent on the quality and ability of staff employed.
Figure: 4.2.6 Employee Training on Procurement Process

Figure 4.2.6 shows that majority of the staff (32.1%) were trained monthly on procurement process, 26.4% were trained regularly, and 24.5% were trained quarterly while 17% of the respondents were trained yearly. Saunders (1997) intimated that multi-skilling provides employees with a variety of skills and should be developed extensively. Training is beneficial and generates more than the equivalent cost in payback. To further the goals of value-based management, all employees need broad and continuous education and training. Education, training and professional development should be process oriented and continuous.

Table 4.6.1 Training and effectiveness of procurement process

The study adopted a point Likert scale to measure how training of employees influence effectiveness of procurement process in the public sector. The Likert Scale has been weighted as Strongly Agree (S.A) = 5, Agree (A) = 4, Neutral (N) = 3, Disagree (D) = 2 and Strongly Disagree (S.D) = 1.

<table>
<thead>
<tr>
<th>STATEMENTS</th>
<th>S.A</th>
<th>A</th>
<th>N</th>
<th>D</th>
<th>S.D</th>
<th>Weighted Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Procurement professionals should be conversant with the PPDA Act</td>
<td>32</td>
<td>11</td>
<td>8</td>
<td>2</td>
<td>0</td>
<td>4.37</td>
</tr>
<tr>
<td>2. Regular training should be emphasized especially on current trends and emerging issues.</td>
<td>16</td>
<td>19</td>
<td>8</td>
<td>6</td>
<td>5</td>
<td>3.41</td>
</tr>
<tr>
<td>3. Public servants should benchmark their skills and qualifications with those in the public sector.</td>
<td>9</td>
<td>13</td>
<td>15</td>
<td>6</td>
<td>10</td>
<td>3.09</td>
</tr>
<tr>
<td>4. Professional qualifications such as C.I.P.S. should be emphasized in public procurement.</td>
<td>7</td>
<td>10</td>
<td>17</td>
<td>8</td>
<td>11</td>
<td>2.88</td>
</tr>
</tbody>
</table>

The presentation above shows that majority of respondents agreed to large extent that procurement professionals should be conversant with the PPDA Act (Weighted mean 4.37). here most respondents strongly agreed that Procurement professionals should be conversant with the PPDA Act, Regular training should be emphasized especially on current trends and emerging issues (Weighted mean 3.41), Public servants should benchmark their skills and qualifications with those in the public sector (Weighted mean 3.09) while Emphasis on professional qualifications such as C.I.P.S. in public procurement was moderately supported by respondents (Weighted mean 2.88). The study noted that the respondents did not strongly agree that Professional qualifications such as C.I.P.S. should be emphasized in public procurement, rather
training and coupled with their relevant experience was adequate for them to run an effective procurement process. Some of them were not aware of other procurement qualifications such as the C.I.P.S hence said their academic qualifications were enough for them.

4.3.3 Record Management and Procurement process

The study adopted a point Likert scale to measure how training of employees influence effectiveness of procurement process in the public sector. The Likert Scale has been weighted as Strongly Agree (S.A) = 5, Agree (A) = 4, Neutral (N) = 3, Disagree (D) = 2 and Strongly Disagree (S.D) = 1.

<table>
<thead>
<tr>
<th>Statement</th>
<th>S.A</th>
<th>A</th>
<th>N</th>
<th>D</th>
<th>S.D</th>
<th>Weighted Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>i. Ineffective documentations systems greatly disrupt daily operations</td>
<td>12</td>
<td>22</td>
<td>8</td>
<td>5</td>
<td>6</td>
<td>3.54</td>
</tr>
<tr>
<td>ii. Computerized documentation system for posting inventory control data can improve the effectiveness of procurement in public sector.</td>
<td>15</td>
<td>18</td>
<td>7</td>
<td>9</td>
<td>4</td>
<td>3.58</td>
</tr>
<tr>
<td>iii. Record Management System RMS should be integrated with other functions at the Youth Enterprise Development Fund for easier accessibility of information.</td>
<td>16</td>
<td>14</td>
<td>13</td>
<td>6</td>
<td>4</td>
<td>3.71</td>
</tr>
</tbody>
</table>

Table 4.7 above shows that majority of the respondents agreed that ineffective documentations systems greatly disrupt daily operations of procurement (Weighted mean 3.54), Computerized documentation system for posting inventory control data can improve the effectiveness of procurement in public sector (Weighted mean 3.58) and that Record Management System RMS should be integrated with other functions at the Youth Enterprise Development Fund for easier accessibility of information (Weighted mean, 3.71). With a weighted mean of 3.71, the study found out Record Management System RMS should be integrated with other functions such as accounts and finance, operations and logistics. Most respondents felt that there will be less communication barriers if the systems are integrated.

Regression Analysis

Model Summary
Coefficient of determination explains the extent to which changes in the dependent variable can be explained by the change in the independent variables or the percentage of variation in the dependent variable (Effectiveness of procurement process) that is explained by Record management on procurement.

The independent variables studied, explain that 76.2% of record management factors influence procurement process as represented by the R Square. This therefore means that other factors not studied in this research contribute 23.8% of the procurement process in the public sector.

ANOVA(b)

<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>74.110</td>
<td>1</td>
<td>74.110</td>
<td>163.104</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>23.173</td>
<td>51</td>
<td>.454</td>
<td></td>
</tr>
</tbody>
</table>
a) Predictors: (Constant), Rating record management on procurement

b) Dependent Variable: Effectiveness of procurement process

The significance value is 0.000 which is less than 0.05 thus the model is statistically significant in predicting how record management affects the procurement process in the public sector. David (2005) opined on the future of managing electronic records, which is complex and goes beyond the procurement of a RMS. He contended that firms need an understanding of current ICT trends and business processes and must accept that records systems are products of the moment. The future lies in electronic systems that are more recent in business logic and more useful in business support. Management of electronic records must not be confused with the procurement of document management systems. For any positive contribution to procurement performance, PEs must ensure that records are available to provide documentary evidence of conformity to the requirements of an effective management system. The records control system should facilitate identification, storage, protection retention and disposition of records (David (2005)

CONCLUSIONS

The study concludes that effective procurement process in the public sector is pegged on ethical practices, employee training and record management on procurement. In other words, in order for procurement process in the public sector to be effective, adherence to laid down ethical principles, regular employee training and proper record management must be implemented.

On ethics of staff, most of the respondents observed that unethical practices negatively affected the effectiveness of procurement in the Youth Enterprise Development Fund. Among the major contributing factors for work ethics was corruption, bureaucracy and red tape, non-compliance with PPDA 2005, unfairness in procurement procedures and un-professionalism. Training of employee was found essential on the effectiveness of procurement process in the public sector. For the case of competency of staff, the main areas that were observed to be the key contributors to staff competence included the training of new employers in the procurement departments, enhancing team work of procurement staff, acquaintance of the procurement act of 2009 and PPDA 2005 by the procurement team and employing qualified and competent personnel in the
procurement departments among others. It was established from the results that competency of staff/employees affects positively the performance of procurement functions in the public sector. Proper record management influence effective procurement process in the public sector. Majority of respondents felt that moderately accurate and complete but not very accurate and complete. This means that ineffective documentation systems disrupt daily operations and therefore institution of Computerized and Record Management Systems is significant towards enhancing effectiveness of procurement in the public sector.

**RECOMMENDATIONS**

From the results of the study, the researcher makes the following recommendations to enhance effectiveness of procurement in the public sector. The study focused on internal factors that influence the effectiveness of procurement process in the public sector, the case of Youth Enterprise Development Fund. Based on this fact among others, it is therefore, recommended that a broader based study covering external environmental factors and the influence they have on the effectiveness of procurement process.

Management of the public sector should ensure that ethical practices are observed in the procurement departments. Stringent measures that deal with unethical practices by the procurement staff should be formulated and adhered to. This is because procurement has of late become a strategic point where public institution can strive to get value for money and instil public confidence in them.

All public sector institutions should strive to promote competence of staff/employees in all departments with emphasis in the procurement department especially by conducting regular refresher trainings on procurement. The environment is changing rapidly economically, politically, socially and also technologically. Staffs of these institutions should be conversant with the current global trends.

All public sector institutions should incorporate the use Information Technology in the procurement processes compounded with computerized and Record Management Systems for effective Record management.

Public institutions should also strive to be accredited to international quality standard systems such as ISO. These are strategic tools that reduce costs by minimizing waste and errors and increasing productivity. Standardisation of the procurement process will promote competition
and ensure competitors are treated fairly, will promote transparency and accountability and will instil public confidence in the procedures and processes.

REFERENCES


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