



PERCEPTION OF REGULATION ON PROCUREMENT PROCESS OF DEVOLVED COUNTY GOVERNMENTS IN KENYA: A CASE STUDY OF THE COUNTY OF KAJIADO

¹*OGUTU, John Onyango & Dr. WERE Susan²

¹MBA Scholar, Jomo Kenyatta University of Agriculture and Technology, Kenya

²Lecturer, Jomo Kenyatta University of Agriculture and Technology, Kenya

**Email of corresponding author: john_ogutu@yahoo.com*

ABSTRACT

The need to strengthen the delivery of public services has in recent decades assumed great significance both in developed and developing countries. The general objective of the study was to determine the perception of regulation on procurement process of devolved county governments in Kenya. The study adopted a descriptive research design since the study intended to gather quantitative and qualitative data that would describe the effects of public procurement regulation on public procurement of devolved county governments in Kenya. The target population was 595 employees of Kajiado County Government. A total number of respondents in this study were 119 and since the sample was drawn from all cadres of staff, the populations were regarded homogeneous. Primary data was gathered using semi-structured questionnaires where the respondents were issued with the questionnaires.. Descriptive analysis was used; this included the use of weighted means, standard deviation, relative frequencies and percentages. Regression analysis was used to establish the relationship between the study variables. From the findings the study revealed that accountability affects the procurement process of devolved county governments in Kenya to a great extent. From the findings the study established that ICT adoption affect the procurement process of devolved county governments in Kenya to a great extent. The study revealed that operating procedures affects the procurement process of devolved county governments in Kenya to a great extent. The study found that ethics affects procurement process of devolved county governments in Kenya to a great extent. Accountability , ICT adoption , operating procedure and ethics were found to significantly influence procurement process

Keywords: Procurement process, regulation, county governments, ICT adoption

INTRODUCTION

The Organisation for Economic Cooperation and Development (OECD) estimated the value of the government procurement market to be US\$2,000 billion in 2008, which was equivalent to 7% of world Gross Domestic Product (GDP) and 30% of world merchandise trade, (OECD, 2012). It has been estimated that between US\$30 to US\$43 billion could be available in the procurement marketplace in Sub-Saharan Africa, (WTO, 2009). Most industrialized countries spend at least 10% of their GDP on public procurement, (UNCTAD, 2009). Consequently, developed and developing countries have need for a well-functioning public procurement system. This is particularly true for developing countries, where procurement usually accounts for a high proportion of total expenditure, for instance 40% in Malawi and 70% in Uganda, compared with a global average of 12-20%, (World Bank, 2011). In most developed countries, public procurement takes place within a framework of international obligations, (UNCTAD, 2009). An example is the World Trade Organisation's Agreement on Government Procurement or the Procurement Directives made under regional agreements such as the European Union or the North America Free Trade Agreement. Public procurement in most developing countries does not have to meet these international requirements, (World Bank, 2011). Consequently, the pressure to reform may not have been as strong and some developing countries retained a procurement system that differed little from that

which was in place during colonial times. However, in recent years, the momentum for reform has increased, partly in consequence of requirements set by the World Bank and other donor organisations as conditions for providing development aid, but principally because the inefficiencies of the unreformed systems have become obvious, (Kluwer, 2000). Procurement refers to the function of purchasing goods and services, (Kluwer, 2000). Public procurement on the other hand is the acquisition by public bodies of the various goods and services that they need for their activities. Any procurement begins with planning, choosing a provider, and after the contract is made, there follows the process of contract administration. In all these stages, accountability should be taken into consideration which ensures that a body charged with a function, performs it or that the body gives reasons for failure to perform such tasks with prescribed repercussions, (Migai, 2005).

Regulation of public procurement is therefore very crucial and has recently undergone and continues to undergo significant development (Ombaka, 2009). Regulation provisions are usually put in place for domestic reasons where individual governments use them to promote domestic objectives, (Otieno, 2004). Most important reasons being, value for money, prevention of corruption, promotion of industrial or social policies in developing market economies, and also as a method of improving their existing market based procurement systems supported by the UNICITRAL Model Law, (Thai, 2004). Various international organizations providing aid for state projects have also developed formal procurement rules for instance the European Union, (Trionfetti, 2000). A sound public procurement system can enhance accountability in the sense that procedures can be made clear, thus compliance can be monitored. This in return can give answers to questions touching on whether the right procedure has been complied with while failures are sanctioned. In addition to the above four principles, the principles of fairness and equity should be complied with in any procurement system, (Thai, 2004). The Parliament (of Kenya) in this case are expected to prescribe a framework within which policies relating to procurement and asset disposal shall be implemented with specific provisions as to sanctions against contractors that have not performed according to professionally regulated procedures, contractual agreements or legislation, (Otieno, 2004). The Public Procurement Regulations of 2006 became effective on 1st January 2007 after the gazetting of the Public Procurement and Disposal Regulations Act 2005. The purpose of this Act is to establish procedures for procurement and the disposal of unserviceable, obsolete or surplus stores and equipment by public entities to achieve efficient management of public funds. The act contains eleven (11) parts.

Public procurement accounts for a significant proportion of the Gross Domestic Product (GDP) of any country, hence the need to ensure that accountability systems are put in place, (Odhiambo and Kamau, 2003). This can be supported by the view that, for instance in 1994, public procurement in the European Union accounted for fourteen percent (14%). Closer home, in East African countries Uganda and Tanzania, the estimated size of government procurement in the year 2001 was about thirty five percent (35%) and nine percent (9%) respectively, (Odhiambo and Kamau, 2003). There is therefore the need to promote sound procurement which in return enhances accountability in the sense that it promotes effective procurement.

A primary impact of procurement is on public funds, (Edgar & Nigel, 2006). It is important to secure the best possible value for money in the way goods and services are obtained, to ensure that public money is not wasted, (Abouzeedan & Busler, 2002). All those who potentially benefit from government spending also have an interest in preventing waste in procurement, since money lost this way can mean higher taxes, or less to spend elsewhere on other important projects, (Bailey, Farmer, Jessop, & Jones, 2004). The performance of contractors on the other hand, can have a direct and important impact on the government's ability to fulfill its responsibilities to its citizens. Effective management of the procurement process to ensure an appropriate choice of provider is therefore a key element in this process, (Barrett, 2000). Public procurement has an aspect of offering significant opportunities for those involved in the process, to obtain political advantage or to dispense political patronage. Thus contracts can be given to firms in regions that are important for the government in a forthcoming election, or can be used to reward political supporters or 'buy' official opponents. Procurement contracts can also be placed to benefit the personal interests of politicians, officials or their family and friends or they can be given to those firms

that are prepared to pay bribes, (Hagén & Zeed, 2005). This may be prejudicial to effective and value for money procurement as well as undermining the integrity of government; hence being important matters of concern to most procurement systems, (Di Tella and Savedoff, 2001).

The public sector in any country is there to offer effective and efficient services like health, education, water, defence and public infrastructure, among others. Through public procurement, governments undertake public works, build roads, healthcare, education and public order (Errigde and McIlrory, 2002). Public procurement or government procurement is increasingly recognised as essential in the delivery of services in developing countries (Basheka and Bisangabasaija, 2008). The need to strengthen the delivery of public services has in recent decades assumed great significance both in developed and developing countries (Karim, 2003). This development is very much linked to the doctrines of New Public Management (NPM) which emphasise efficiency, value for money and managing for results, as well as elevating the citizens from mere consumers to citizens with broad social concerns and taking into account factors such as citizen voice, community building, equity and accountability (Hefetz and Warner, 2004; Denhardt and Denhardt, 2000). Public procurement process plays a critical role in public services delivery to citizens (Kaufman *et al.*, 2008). A report by Transparency International ranked Kenya as number 154 out of 178 of the world corruption index in the year 2010, and stated that Kenya had lost a lot of billions to shady procurement deals in the last seven years, (TI, 2010). The need for reform has thus become urgent, since the business community keeps complaining that inefficiencies in public procurement are contributing to an unsuitable business environment, (World Bank, 2012). The aim of the Public Procurement Regulations of 2006 was to promote fairness, transparency and nondiscrimination in procurement in public institutions with the main aim of ensuring efficient use of public funds. However, studies reveal that even after the enactment of the Regulations, there are losses of public funds that can be attributed to public procurement.

In a study by KPMG International carried out after the introduction of the Regulations, it was still found out that public procurement still suffers from fraud and misconduct (KPMG, 2008). In yet another study by KACC, 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. In a survey of public institutions by the KACC in 2007 after the PPDR had been implemented, it was revealed that procurement had become more transparent, formal and clearer. The introduction of the Procurement Regulations of 2006 brought new standards for public procurement in Kenya.

Studies on effects of public procurement regulation on public procurement within public sector are not systematically documented. This study seeks to bridge this gap with a focus on the effects of public procurement regulation on public procurement of devolved county governments with focus on Kajiado County. This study will examine the perception of regulation on procurement process of devolved county governments more specifically Kajiado County, which is similar to other institutions in the public sector. The general objective of the study was to determine the perception of regulation on procurement process of devolved county governments in Kenya. The specific objectives of the study were;

- i. To establish the effect of accountability on procurement process of devolved county governments in Kenya.
- ii. To examined the effects of ICT adoption on procurement process of devolved county governments in Kenya
- iii. To determine the effects of operating procedures on procurement process of devolved county governments in Kenya
- iv. To find out the effects of ethics on procurement process of devolved county governments in Kenya

Theoretical Review

Strategic Triangle Theory

Public value can be described as the contribution made by the public sector to economic, social and environmental well-being of a society or nation, and can be generally defined as what the public is willing to make sacrifices of money and freedom to achieve (Kelly *et al.*, 2002). Public value theory argues that the creation of public value is the ultimate goal of public sector programmes and activities – the value

proposition that should guide public organizations (Moore, 1995; Moore, 2000). Moore (1995) formulated the Public Value framework to imbue public sector managers with a greater understanding of the constraints and opportunities within which they work, and the challenge to create publically valuable outcomes. His central proposition was that public resources should be used to increase value not only in an economic sense but also more broadly in terms of what is valued by citizens and communities. Moore developed a 'strategic framework' in an attempt to capture the aims and constraints of public sector management and to help align goals, authorization and operational capability (Moore, 1995).

The Public Value approach envisages a manager's purpose as going beyond implementation of policy and adherence to institutional norms. It includes seeking out opportunities to make significant improvements to the lives of the public. The role is envisaged as a strategic decision maker who works at the intersection between three imperatives of value, legitimacy and feasibility. Unlike private enterprise, organizations providing public services are directly accountable to citizens and their democratic representatives. Therefore, Public Value cannot be delivered without ongoing public engagement and dialogue. Allied to this, the public value manager must be skilled in the efficient and innovative deployment of available resources, and effective in persuading other stakeholders to adopt similar purposes and approaches. The ability to adapt to, shape and manage the external environment is also a core skill of the Public Value manager.

Social Exchange Theory

Social exchange theory posits that the parties in an exchange relationship provide benefits to one another in the form of tangible benefits such as money or intangible benefits such as socio-emotional support (Blau, 1964). The exchange of these benefits is a result of the norm of reciprocity. According to the norm of reciprocity, individuals are obligated to return favors that have been provided by others in the course of interactions in order to strengthen interpersonal relationships (Gouldner, 1960). In addition, social exchange theory maintains that trust is an essential condition for the establishment and maintenance of interpersonal relationships. Therefore, according to social exchange theory, individuals seek to enter and maintain fair and balanced exchange relationships. In organizations, employees seek a fair and balanced exchange relationship with their employers.

Institutional Theory

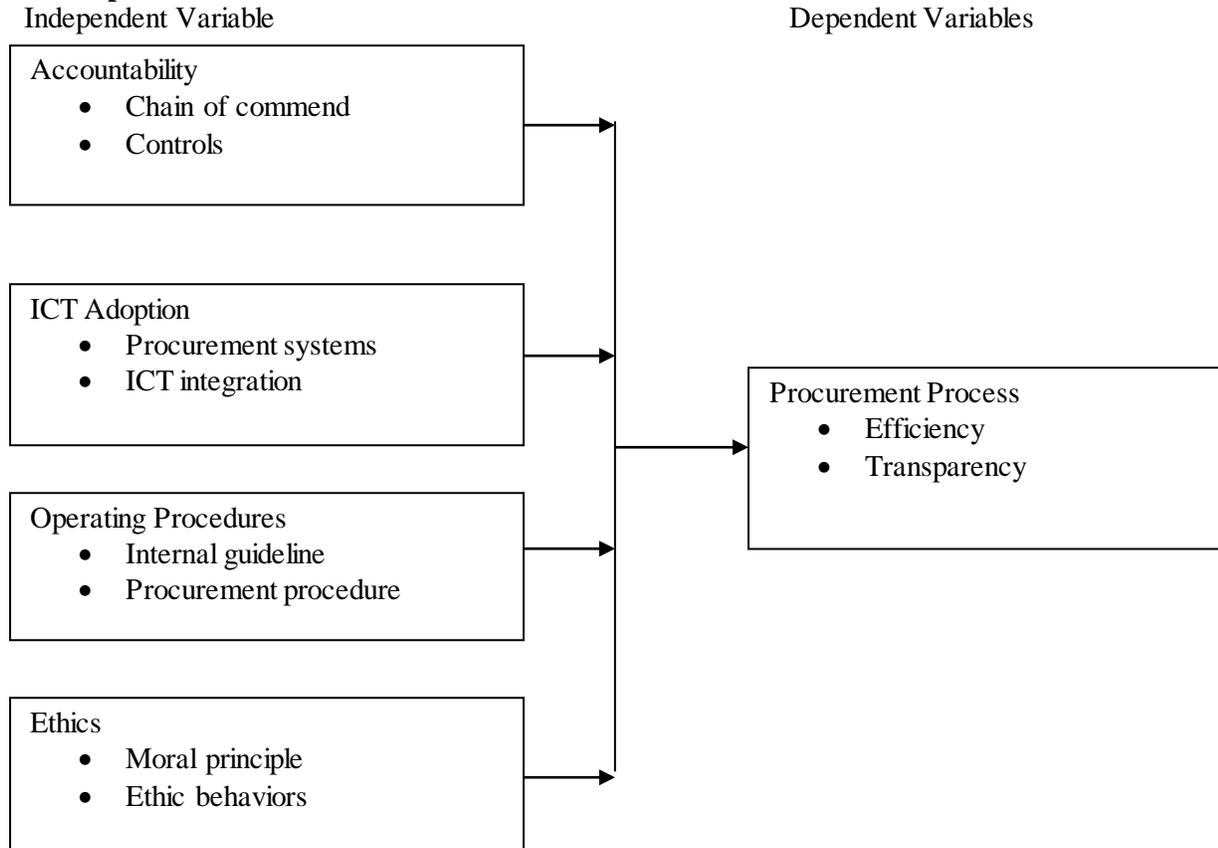
The problem of whether performance measurement could improve public service delivery can be examined by applying the institutional theory. One major topic of the institutional theory (for a short summary see Kondra and Higgins, 1998, p. 744) has been the role of institutional norms. After a research project on schools, Meyer and Scott (1983), back in the 1970s, formulated the hypothesis that a continuum of organisations exists running from those dominated by technical criteria (e.g. manufacturing companies) to those dominated by "institutional" criteria (e.g. schools, private nonprofits, public administrations). For organisations dominated by technical criteria "technical" efficiency is vital, for those dominated by institutional criteria legitimacy and not technical efficiency is the guiding principle. Conformity to societal and cultural expectations or, more generally speaking, to external institutional norms, are the most relevant factors for this type of organisations. With this type of organisations conformity to the institutional norms of the external environment enhances their survival capabilities, opens access to resources and increases their stability. A technically optimized work flow is of less importance for institutionalized organizations than for those dominated by technical criteria. Following Greenwood and Higgins (1988), institutional norms deal with appropriate domains of operation, principles of organizing, and criteria of evaluation.

Principal Agent Theory

The idea of the legitimate self-interest-driven or illegitimate opportunism-driven public actor is something which is also addressed by the principal agent theory. The principal agent theory describes strategic interactions between at least two contract partners, called principal and agent. The principal agent theory assumes that the actors are motivated by rational self-interest and that mainly the agent uses gaps in contracts to his or her advantage. The principal agent theory as well as information economics have identified several approaches to address the problem of information asymmetries on the principal's behalf. In order to deal with this problem detailed performance-oriented monitoring systems are established. To

enforce comprehensive monitoring systems is in line with what Johnsen calls the hierarchist management culture and Prendergast calls the informativeness principle, which is embedded in the traditional reasoning of the principal agent theory. The informativeness principle includes the conviction that any improvement of the principal's information situation will have positive results (Prendergast, 1999; Johnsen, 2005, p, 13).

Conceptual framework



RESEARCH METHODOLOGY

The study adopted a descriptive research design since the study intended to gather quantitative and qualitative data that would describe the effects of public procurement regulation on public procurement of devolved county governments in Kenya. The target population was the employees of Kajiado County Government. This included both the employees on permanent and temporary contracts of employment which is 595 employees. Owing to the big number of target population and given the time and resource constraints, the sampling at least 10 to 20% of target population is recommended by Mugenda & Mugenda (1999). Therefore, the total numbers of respondents in this study were 119 and since the sample was drawn from all cadres of staff, the population was regarded homogeneous. The sampling technique employed was stratified random sampling.

The study collected both primary and secondary data. Primary data was gathered using semi-structured questionnaires where the respondents were issued with the questionnaires. Questionnaires were preferred because according to Cox (2000), they are an effective data collection instrument that allows respondents to give much of their opinions in regard to the research problem.

The researcher selected a pilot group of 10 individuals from the target population to test the reliability of the research instrument. The aim of the pilot study was to test the reliability of the questionnaires. The individuals in the pilot group were not included in the actual study.

Descriptive analysis was used; this included the use of weighted means, standard deviation, relative frequencies and percentages. The data was coded to enable the responses to be grouped into various categories. Descriptive statistics was used to summarize the data. This included percentages and frequencies. Tables and other graphical presentations were appropriately used to present the data that was collected for ease of understanding and analysis. Regression analysis was used to establish the relationship between the study variable.

Data Analysis and Interpretations

Descriptive and inferential statistics have been used to discuss the findings of the study. The study targeted a sample size of 119 respondents from which 110 filled in and returned the questionnaires making a response rate of 92.43%. This response rate was satisfactory to make conclusions for the study. The response rate was representative.

Reliability analysis

Reliability of the questionnaire was evaluated through Cronbach’s Alpha which measures the internal consistency. Cronbach’s alpha was calculated by application of SPSS for reliability analysis. The value of the alpha coefficient ranges from 0-1 and may be used to describe the reliability of factors extracted from dichotomous and or multi-point formatted questionnaires or scales. A higher value shows a more reliable generated scale. Cooper & Schindler (2008) has indicated 0.7 to be an acceptable reliability coefficient. Table 1 shows that ICT adoption had the highest reliability ($\alpha=0.901$) followed by accountability ($\alpha=0.817$), then ethics ($\alpha = 0.811$) and operation procedure ($\alpha=0.7762$). This illustrates that all the four scales were reliable as their reliability values exceeded the prescribed threshold of 0.7.

Table 1. Reliability Coefficients

Scale	Cronbach's Alpha	Number of Items
Accountability	0.817	8
ICT Adoption	0.901	4
Operating Procedures	0.762	6
Ethics	0.811	11

RESULTS AND DISCUSSION

Procurement Process

Table 2. Degree of effectiveness offered by successive stages in the public procurement cycle

	Totally Ineffective	Ineffective	Moderately Effective	Effective	Very Effective	Mean	Standard Deviation
Planning	0	0	52	33	25	3.75	0.20
Risk assessment	0	0	31	65	34	4.75	0.25
Choice of procedure/ Seeking and evaluating alternative solutions	0	0	23	62	25	4.02	0.23
Means to solicit offers from bidders	0	0	30	59	21	3.92	0.22
Examination and evaluation of offers	0	0	33	65	12	3.81	0.25
Awarding of contract	0	0	40	56	14	3.76	0.23
Contract management	0	0	43	52	12	3.52	0.22
Ultimate disposal of property at the end of its useful life	0	0	42	57	11	3.75	0.20

The study sought to determine the effectiveness of the successive stages in the public procurement cycle. From the findings (Table 2), it was shown that Risk assessment stage faired very effectively as shown by a mean of 4.75, Choice of procedure/ Seeking and evaluating alternative solutions stage faired effectively as shown by a mean of 4.02, Means to solicit offers from bidders stage faired effectively as shown by a mean of 3.92, Examination and evaluation of offers stage faired effectively as shown by a mean of 3.81, the stage of awarding contract faired effectively as shown by a mean of 3.76, planning ,Ultimate disposal of property at the end of its useful life stages both faired effectively as shown by a mean of 3.75 in each case and finally contact management stage also faired effectively on accountability on Procurement Process

Table 3. Components of accountability affecting procurement process

Attributes	No extent at all	Less extent	Moderate extent	Great extent	Very great extent	Mean	Std deviation
The measurement of goals and results	0	0	23	59	28	4.05	0.22
The justification or explanation of those results to internal or external monitors	0	0	22	65	23	4.01	0.24
Punishment or sanctions for non-performance or corrupt behavior	0	0	12	44	54	4.38	0.23

The study sought to determine the extent to which accountability affects procurement process in the county governments (Table 3). From the findings, majority of the indicated that, Punishment or sanctions for non-performance or corrupt behavior affects procurement process of devolved county government to a great extent as shown by a mean of 4.38, The measurement of goals and results affected procurement process of devolved county government to a great extent as shown by a mean o 4.05 and finally that The justification or explanation of those results to internal or external monitors also effected the procurement process of devolved county government to a great extent as shown by a mean of 4.01. This is an indication that all the above factors the above reasons had a significant impact on the procurement process of devolved county governments the findings concurs with Brinkerhoff report (2004) he identifies three key components of accountability, including the measurement of goals and results, the justification or explanation of those results to internal or external monitors, and punishment or sanctions for non-performance or corrupt behavior.

ICT Adoption

The study sought to determine respondent's level of agreement with the above statement which relate on adoption of I.CT on procurement processes as shown in Table 4. From the findings, majority of the respondents agreed that, ICT enhances the procurement processes in the public sector as it improve internal efficiencies by lowering costs and increasing productivity as show by a mean of 4.34, Adopting ICT enable devolved county governments in Kenya to provide excellent service to their suppliers in an effective and transparent manner as shown by a mean of 4.29, Adopting ICT enable devolved county governments in Kenya meet today's procurement and operating challenges as shown by a mean of 4.16, and finally that ICT adoption enhances the process of effective tendering through advertising, sourcing reviews, prequalification, potential for cost savings and greater awareness of new development as shown by a mean of 3.99.all the cases were supported by a low mean of standard deviation which implies that respondents dint vary much on their opinion the findings hereby concurs with the findings of Abouzeedan and Busler, (2002) who found out that the adoption of ICT enhance the services for residents, businesses and visitors, and improve internal efficiencies by lowering costs and increasing productivity. Public authorities are implementing scalable communication infrastructures to promote

economic development, attract new businesses and residents, and above all, provide excellent service to constituents).

Table 4. Effect of ICT Adoption on procurement process

Attributes	Strongly disagree	disagree	Neutral	agree	Strongly agree	Mean	Std deviation
ICT enhance the procurement processes in the public sector as it improve internal efficiencies by lowering costs and increasing productivity	0	0	14	45	51	4.34	0.22
Adopting ICT enable devolved county governments in Kenya to provide excellent service to their suppliers in an effective and transparent manner	0	0	12	54	44	4.29	0.23
Adopting ICT enable devolved county governments in Kenya meet today's procurement and operating challenges	0	0	18	56	36	4.16	0.22
ICT adoption enhances the process of effective tendering through advertising, sourcing reviews, prequalification, potential for cost savings and greater awareness of new development	0	0	10	66	29	3.99	0.25

Operating Procedures

Table 5. Extent to which operating procedures affect procurement process

	Frequency	Percentage
Very great extent	40	36.4
Great extent	50	45.5
Moderate extent	15	13.6
Little extent	5	4.5
Total	110	100

The study further sought to establish the extent at which operating procedures affect procurement process at devolved county governments in Kenya.. From the findings in Table 5 it was most of the respondents were of the opinion that operating procedures affects procurement process to a great extent as shown by 45.5%, 35.5% of the respondents indicate to a very great extent, 13.6% of the respondents indicated to a moderate extent whereas 4.5% of the respondents indicated to a little extent , this implies that operating procedures affects procurement process at devolved county governments in Kenya to a great extent.

The study sought to reveal whether the above attributes affects operating procedures on procurement process at devolved county governments in Kenya. From the findings in Table 6 majority of the respondents agreed that Compliance with regulations affecting accreditation and approvals can be costly for companies wanting to market their products, Market approval (or registration) of products is usually granted on the basis of efficacy, safety and quality as shown by a mean of 4.17 in each case, Conflict of interest is also a concern if national experts receive compensation from pharmaceutical companies that could influence their judgment as shown by a mean of 4.16, that Items Quantification has a great effect on procurement as shown by a mean of 4.04 that The selection of essential items in a given country uses defined criteria and consultative and transparent process as shown by a mean of 4.03.

Table 6. Effect of operating procedures on procurement process

Attributes	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	Std Deviation
Market approval (or registration) of products is usually granted on the basis of efficacy, safety and quality	0	0	23	45	42	4.17	0.20
Compliance with regulations affecting accreditation and approvals can be costly for companies wanting to market their products.	0	3	21	40	46	4.17	0.19
Conflict of interest can affect the setting of user fees for county services	0	8	20	55	27	3.92	0.19
Conflict of interest is also a concern if national experts receive compensation from pharmaceutical companies that could influence their judgment	0	2	14	58	36	4.16	0.22
The selection of essential items in a given country uses defined criteria and consultative and transparent process	0	3	19	60	28	4.03	0.22
Items Quantification has a great effect on procurement	0	9	11	57	33	4.04	0.21

Ethics

Table 7. Extent to which ethics affect procurement process

	Frequency	Percentage
Very great extent	35	31.8
Great extent	44	40.0
Moderate extent	31	28.2
Total	110	100

The study sought to determine the extent to which ethics affect procurement process at devolved county governments in Kenya, from the findings 40% of the respondents were of the opinion that ethics affects procurement process to a great extent, 31.8% of the respondents indicated to a very great extent, whereas 28.2% of the respondents indicated to moderated extent. This implies that ethics was indeed among the factors which affect procurement process at devolved county governments in Kenya (Table 7).

The further sought to establish the level at which respondents agreed with to the statements which relate on ethics. The data in Table 8 indicates that majority of the respondents agreed that Lack of management skills required to write technical specifications, supervise competitive bidding, and monitor and evaluate the contract performance among employees affect their ethical binding and hence procurement as shown by a mean of 4.39, that Separation of key functions contributes to professionalism, accountability and an efficient procurement system as shown by a mean of 4.20 and finally that Financial malpractices also could occur at any stage of the process and influence decisions on the model of procurement (direct rather than competitive), on the type and volume of procured supplies, and on specifications and selection criteria ultimately compromising access to essential quality medicines as shown by a mean of 4.08, Items Quantification has a great effect on procurement,

Table 8. Effect of Ethics on Procurement Process at Devolved County Governments in Kenya

Attributes	Strongly disagree	disagree	Neutral	agree	Strongly agree	Mean	Std deviation
Lack of management skills required to write technical specifications, supervise competitive bidding, and monitor and evaluate the contract performance among employees affect their ethical binding and hence procurement.	0	0	0	67	43	4.39	0.28
Separation of key functions contributes to professionalism, accountability and an efficient procurement system.	0	0	0	88	22	4.20	0.35
Financial malpractices also could occur at any stage of the process and influence decisions on the model of procurement (direct rather than competitive), on the type and volume of procured supplies, and on specifications and selection criteria ultimately compromising access to essential quality medicines.	0	0	23	55	32	4.08	0.21

Regression Analysis

Table 9. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.901 ^a	.811	.798	.88195

Adjusted R squared is coefficient of determination which tells us the variation in the dependent variable due to changes in the independent variable, from the findings in the above table the value of adjusted R squared was 0.798 an indication that there was variation of 79.8% on the procurement process due to changes in accountability , ICT adoption , operating procedure and ethics at 95% confidence interval . R is the correlation coefficient which shows the relationship between the study variables, from the findings shown in the table above there was a strong positive relationship between the study variables as shown by 0.901.

Table 10. ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	0.042	2	0.021	3.064	.018 ^b
	Residual	20.864	64	0.326		
	Total	20.906	109			

From the ANOVA statics in Table 10, the processed data, which is the population parameters, had a significance level of 5% which shows that the data is ideal for making a conclusion on the population's parameter as the value of significance (p-value) is less than 5%. It also indicates that the model was statistically significant and accountability , ICT adoption , operating procedure and ethics were significantly influencing procurement process.

The established regression equation was

$$Y = 0.510 + 0.226 X_1 + 0.125 X_2 + 0.247 X_3 + 0.276X_4$$

From the above regression equation it was revealed that holding accountability , ICT adoption , operating procedure and ethics to a constant zero , procurement process would stand at 0.510 , a unit increase in

accountability would lead to increase in procurement process by a factors of 0.226, unit increase in ICT adoption would lead to increase in procurement process by factors of 0.125 , unit increase in operating procedures would lead to increase in procurement process by a factor of 0.247 and ethics would lead to increase in procurement process by a factors of 0.276. This shows that there was positive association between procurement process and accountability , ICT adoption , operating procedure and ethics. The study found that all the sig value for all the variables were found to significantly influence the procurement process (Table 11).

Table 11. Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.510	.440		1.209	.000
Accountability	.226	.129	.026	.205	.038
ICT Adoption	.125	.112	.152	1.121	.026
Operating Procedures	.247	.125	.262	1.971	.013
Ethics	.276	.185	.183	1.488	.042

CONCLUSION

From the findings the study revealed that accountability affects the procurement process of devolved county governments in Kenya, thus the study concludes that accountability during the procurement process affect the procurement process in devolved government in Kenya to a great extent .

From the findings the study established that ICT adoption affect the procurement process of devolved county governments in Kenya, thus the study concludes that ICT adoption affect the procurement process of devolved county governments in Kenya to a great extent.

The study revealed that operating procedures affects the procurement process of devolved county governments in Kenya to a great extent, from the findings the study concludes that operating procedures affects the procurement process of devolved county governments in Kenya to a great extent.

The study found that ethics affects procurement process of devolved county governments in Kenya to a great extent, from the findings the study concludes that ethic during the procurement process affects procurement process of devolved county government to a great extent.

RECOMMENDATIONS

From the findings the study recommends that all the steps of procurement process should be followed to the latter, this will enable the planners to assess feasibility of combining or dividing procurement requirements into different contract packages, this will also enhance the transparency and predictability of the procurement process.

Regarding accountability the study recommends that Full transparency in county government should be maintained this will provide an incentive for decision makers to accept that there is a consequence for decisions and that those consequences will be in full view of the public.

The study recommends that the all the county governments should adopt the use of I.C.T this will help to reduce operational costs, and at the same time, it will increase the efficiency of government services again it will help to support good governance by increasing government transparency and accountability: it will eventually help to reduce corruption loopholes and at the same time empower the general public to actively participate and help in ensuring transparent on the use of public funds.

Regarding ethical the county governments should develop a compressive workplace policy which should be incorporated into the management program to hold workers accountable for their actions and alert them to their responsibilities, to uphold professional standards throughout their job performance and interaction with peers and supervisors. The county government should also provide workplace ethics training to employee this will help them learn in how to address and resolve ethical dilemmas

REFERENCES

- Abagi, O (1995) *Understanding Social Research: An Overview of Nature and function of Educational Research*. Nairobi: EAEP.
- Abouzeedan, A., Busler, M. (2002). "Information technology (IT) impact on performance of small and medium enterprises (SMEs)", *Proceedings of the RENT XVI, Research in Entrepreneurship and Small Business*.
- Ammer, S. A., (1996). *Materials Management & Purchasing*; (4th Edition) Longman publishers: Edinburgh Gate, UK
- Amos, E., Weathington, B. (2008). "An analysis of the relation between employee-organization value congruence and employee attitudes", *Journal of Psychology, Vol. 142* No.6, pp.615-32.
- Bailey, P., Farmer, D., Jessop, D., & Jones, D. (2004). *Purchasing Principles and Management, eighth edition*, Prentice Hall: Great Britain
- Baily, P, Farmer, D, Jessop, D and Jones, D (1998) *Purchasing Principles and Management*; 8th ed. Edinburgh: Prentice Hall.
- Balabanova D, McKee M. (2002). 'Access to health care in a system transition: the case of Bulgaria'. *International Journal of Health Planning and Management* 17:377-95.
- Barrett, P. (2000). "Balancing accountability and efficiency in a more competitive public sector environment", *Australian Journal of Public Administration, Vol. 59* No.3, pp.58-71.
- Brinkerhoff DW. (2004). Accountability and health systems: Toward conceptual clarity and policy relevance. *Health Policy and Planning* 19:371-9.
- Bukhala, S. (2003) "Use of strategic approach to procurement of goods and services in Kenyan Public Universities". Unpublished MBA project, Egerton University, Nakuru Kenya.
- Challenge Report 2007
- Chaudhury N, and Hammer J. (2004). *Ghost doctors: Absenteeism in Bangladeshi rural health facilities. The World Bank Economic Review* 18:423-41.
- Comesa Public Procurement Reform Project (2004) African Regional workshop on harmonization, alignment and results, available on <http://www.worldbank.org/> on 14th Dec.2009.
- Cooper, D.R & Schindler, P.S (2000). *Business Research Methods*. New York: Mc
- Di Tella and Savedoff (2001). "Strategic procurement management in local government: the role of elected members", *Journal of Public Procurement, Vol. 7* No.2, pp.194-212.
- Farmer, D and Weele, V (2000) *Handbook of Purchasing Management*; 2nd ed. Hampshire: Gower.
- Government of Kenya (2008) *Public Service Integrity Programme: A sourcebook for Corruption Prevention in the Public Service*. Nairobi: Government Printers.
- Griffith, M and Griffith, I (2002) *Law of Purchasing and Supply*; 3rd ed. Edinburgh: Prentice Hall.
- Hagén, H.-O., Zeed, J. (2005). *Does ICT Use Matter for Firm Productivity? Yearbook on government"*, *Journal of Environmental Planning & Management, Vol. 50* No.3, pp.421-44.
- Hunja, R (2001) *Obstacles to public procurement reform in developing Countries*, available on <http://www.wto.org>.
- Kabaj, O. (2003). *The Challenge of African Development*, Oxford University Press: New York. Kippra, (2006). *Public procurement policy in Kenya: The need for a coherent policy framework*. Policy brief no. 3/2006
- KACC (2007) *Public Officers' Integrity Survey*. Nairobi: KACC Kenya Gazette Supplement No. 92 (2006) *The Public Procurement and Disposal Regulations*. Nairobi: Government of Kenya.
- KACC (2008) *National Enterprise Survey on Corruption*. Nairobi: KACC.
- Kipchilat, G.T (2006) "An Evaluation of the Impact of the Public Procurement Regulations on Procurement in Kenyan Public Universities." Unpublished MBA Project. Egerton University, Nakuru Kenya.
- KPMG International (2008) *Governance Survey*. Nairobi: KPMG.
- Lerberghe M.V (2004). *Pilfering for survival: how health workers use access to drugs as a coping mechanism* <<http://www.human-resources-health.com/content/pdf/1478-4491-2-4.pdf>>

- Lysons, K and Farrington, B (2006) *Purchasing and Supply chain Management*; 7th ed. London: Prentice Hall.
- Lysons, K and Gullingham, M (2003) *Purchasing and Supply Chain Management*, 6th ed. London: Pearson's Hall.
- Miles, R., Breen, L. (2005). "Pharmaceutical supply chain – update on the current NHS review", *Hospital Pharmacist*, Vol. 12.
- Mugenda, O. M., & Mugenda, A. G. (2003). *Research methods: Quantitative and qualitative approaches*. Nairobi: Acts Press.
- Odhiambo, W and Kamau, P (2003) The integration of developing countries into the world trading system. Public procurement lessons from Kenya, Tanzania and Uganda, available on <http://www.oecd.org>, on 15th Dec. 2009.
- Ombaka E. (2009). *Management of medicines procurement in Developing countries*. Accessed online at <<http://health-care-procurement.com/content/pdf/1689-2231-6-8.pdf>>
- Otieno (2004). *Procurement activities in public institutions*. Unpublished thesis. Jomo Kenyatta University of Science and Technology, Kenya
- Pandey, I.M, (2005) *Financial Management*, 8th ed. New Dheli: Vikas Publishing House.
- Public Procurement Oversight Authority (2007) *Assessment of the Procurement System in Kenya*. Nairobi: PPOA.
- Segal and Summers (2002). *Improving transparency in pharmaceutical systems: strengthening critical decision points against corruption*. Washington, DC: World Bank, Human Development Network, Latin American and Caribbean Region.
- Shibanda, G.G. and Musisi-Edebe, I. (2000). Managing and developing the strategy for Africa's information in global computerization. *Library management*, 21 (95), 228-234.
- Tan, K.S., Chong, S.C., Uchenna, C.E. (2009). "Factors influencing the adoption of internet-based ICTs: evidence from Malaysian SMEs", *International Journal of Management and Enterprise Development*.
- Thai, K. V. (2004). *Introduction to Public Procurement*, (5th edition). Florida Atlantic University.
- Thai, K.V. (2001). "Public procurement re-examined", *Journal of Public Procurement*, Vol. 1 No.1,
- Thomson, J., Jackson, T. (2007). "Sustainable procurement in practice: lessons from local government", *Journal of Environmental Planning & Management*, Vol. 50 No.3, pp.421-44.
- Transparency International, 2010, *Global Corruption Report*, http://blog.transparency.org/2010/09/23/gcr2010_private_and_public_sector/
- Trionfetti, F. (2000). "Discriminatory public procurement and international trade", *World Economy*, Vol. 23 No.1, pp.57-76.
- Vian, M., and Collins, S. (2006). *Paying for 'free' health care: the conundrum of informal payments in post-communist Europe*. In: Transparency International. In: *Global Corruption Report 2006: Special focus on corruption and health* London: Pluto Press. 62–71.
- Wanyama, J (2010) The effectiveness of the Procurement Regulations in Kenya. Available on <http://www.oecd.org>.
- Waters D. (2004). *Introduction To Supply Chain Management*, (2rd Edition), Pal grave Macmillan, Britain.
- Wee, H. (2002). "Corporate ethics: right makes might", *Business Week*, (quoting Stuart Gilman on Enron), No.11 April.
- WHO (2007). *Development Effectiveness Achieving Development Outcomes: The Millennium*
- Wind, Y and Thomas, R.J (2001) "The Buying Centre." *European Journal of Marketing*.
- World Bank (2003). *World Development Report 2003: Equity and Development*, Oxford University Press, New York, NY, .
- World Bank (2007). *World Development Report 2007: Development and the Next Generation*, Oxford University Press, New York, NY, .
- Wymer, S., Regan, E. (2005), "Factors influencing e-commerce adoption and use by small and medium businesses", *Electronic Markets*, Vol. 15 No.4, pp.438-53.