



Strategic Procurement Planning and Service Delivery of County Governments in Western Kenya Region

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ABSTRACT

Ensuring the provision of public services in Kenya necessitates public expenditure through the procurement of goods, works, and services; therefore, the integrity of the entire process from procurement to delivery of goods, works, and services and their use portrays the strength of proper management of public resources and fidelity to the Kenyan constitution. Yet, because there is misuse of public monies in the majority of the Counties and an alleged 50% of it is tied to the public procurement processes used, corruption has been identified as a significant barrier to socio-economic growth in Kenya. The study's primary goal was to ascertain how County Governments in the Western Kenya Region's service delivery were affected by strategic procurement planning. The McKinsey 7s framework model was used as the study's framework and positivist research methodology was used throughout. The study was carried out in the counties of Kakamega, Busia, Vihiga, and Bungoma in western Kenya. The 228 officials that made up the study's target population were divided into chief officers, directors, finance officers, and procurement officers. 174 respondents were chosen from a sample using stratified random selection in the study. Via a questionnaire and interview schedules, primary data was acquired. A pilot study was conducted to evaluate the reliability and validity of the research instruments. The study utilized both descriptive and inferential statistics. The findings of the study established that Strategic Procurement Planning significantly accounted for 40.5% of the variance in Service Delivery of County Governments in Western Kenya ($R^2=0.405$, $P<0.05$). Specifically, when strategic procurement planning increases by one unit, service delivery changes by 0.636 units ($\beta_1=0.636$, $P<0.05$). As a result, the F test resulted in a value of $(1, 161) = 108.908$, $P<0.05$, supporting the model's ability to explain variance in the dependent variable. Among county governments in the western Kenya region, there is a large and favorable correlation between strategic procurement planning and service delivery. The analysis suggests that county governments ensure that strategic sourcing strategies are fully implemented and that they are produced in a reasonable timeframe because they are essential for initiating service delivery.

Keywords: Strategic Procurement Planning, Public Procurement Practices, Service Delivery, Public Resources

I. INTRODUCTION

The creation of county governments began in March 2013 as a variety of achievements in the devolution process overall were realized. This encompasses enacting pertinent laws, delegating duties, operationalizing County Government institutions, and allocating resources. Notwithstanding these achievements, there have been a number of resources, institutional, and intergovernmental relationship issues which have surfaced; therefore strategic procurement planning encompasses the management on placing orders, materials receipt, evaluation, and approval for goods from vendors (Frazelle, 2012).

Strategic Procurement Planning, in accordance with Basheka (2008), supports upcoming procurement procedures. He claims that strategic procurement planning includes identifying requirements that must be met, starting with needs analysis, how such an institution's requirements may be satisfied, the amounts of the needed goods, works, or services, the distribution network strategies implemented, deciding the timelines, and the accountability of the overall process (Ezeh, 2012). Ahmed et al. (2019) asserts that the telecommunications sector lacked effective sourcing strategy at various procurement echelons. He stated that the company was not being guided by good procurement forecasting to get a competitive edge. As per the study, the organizational performance of the telecommunications

sector in Hargeisa Somaliland was positively and significantly correlated with procurement planning, ethics in procurement practice, and measurement of procurement performance.

According to Sahara, Yussuf, and Mwencha (2018), obstacles to the delivery of quality services in Wajir County, Kenya, include: inadequate planning, employees incompetence, an undesirable work environment that encourages passivity, ethically questionable behavior in the workplace, absence of action plan on the part of employees, deterioration of communication networks, an absence of stationery and equipment, protracted government bureaucracy processes, a delay in the National Government's disbursement of funds. According to Onyoni and Kavale (2018), Nairobi's poor service delivery can be attributed to the failure to implement important factors, which leads to incompetence and poor management.

1.1 Problem statement

The Procurement and disposal Laws and its execution must be followed in order to be compliant with procurement laws (Metobo, 2016). Kagume and Wamalwa (2018), claim that Kenya's judicious use of taxpayer money is determined by how the procurement bodies use public funds to buy products, services, and projects. Nonetheless, misuse of taxpayer funds has indeed been documented in the majority of the Counties, and it is estimated that 50% of it is attributable towards the public procurement strategies used (Owago, Ngacho, & Wafula, 2021).

For the previous eight years, the Auditor General's audits have repeatedly revealed abnormalities in the use of public money, as well as considerable fraud in the public sector and large allegations on misspending that have been connected to violations of procurement laws (Kagume & Wamalwa, 2018). The Auditor General reported on county expenditures for the previous eight fiscal years, revealing widespread financial mishandling that was connected to weak financial control mechanisms and called into question the fiscal oversight procedures of the Counties Assembly. Similar irregularities to breaking the Public Finance Act or the procurement legislation, the papers cite discrepancies between the amounts collected and those taken to banks, as well as County Directors' and Assemblies' abuse of their positions (Kagume & Wamalwa, 2018). Service delivery in County Governments has remained poor despite there still being restrictions on public procurement like the PPDA (2015) and the Regulations 2020, necessitating a gap that should be investigated.

1.2 Objective of this Study

The objective of the study was to investigate the effects of strategic procurement planning on service delivery of county governments in western Kenya region.

1.3 Hypothesis of the study

H01: Strategic procurement planning has no statistical significant effect on the service delivery of county governments in western Kenya region.

II. LITERATURE REVIEW

2.1 Theoretical review

2.2.1 McKinsey's 7s Framework Model

McKinsey's 7S paradigm, that Robert and Tom (1980) established, is primarily a management approach that was developed as a strategic vision for organizations, to include enterprises, businesses, and teams. According to the paradigm, needs should indeed be repositioned to enhance the effectiveness of the strategy and implementation strategy, or to keep it in place if an organization is Adapting to changes (Robert and Tom, 1980). Maru (2015) investigated this concept to connect strategy execution at the Revenue Authority of Kenya and found that needs congruence at the Revenue Authority of Kenya was the reason why strategic alignment was successful. Although this model's detractors have pointed up drawbacks that make it less effective. The absence of parameters which can resolve difficulties with the outside environments and performance-related concerns is one of this taxonomy's shortcomings. The McKinsey 7S Model's inception, which originated from practice rather than theory, is the primary cause of its absence of "comprehensiveness." So, the McKinsey's 7s Model is an example of an effort to ex post facto introduce the McKinsey's beliefs on the operation of both manufacturing and service enterprises (Burke & Litwin, 1992).

2.2.2 Strategic Procurement planning

Chepkensis and Keitany (2018) discovered that since planning is a time-saving problem-solving technique, it increases quality, provides economic value, promotes appropriate resource use, speeds up the process of making

decisions, and fosters innovation. By preventing or controlling excess expenditures and guaranteeing that purchasing operations are not conducted outside without appropriate resources, a procurement approach may assist with the implementation of a budget and resource allocation plan (Ogwel, Iravo, & Lagat, 2016). The Public Procurement and Asset Disposal Act's restrictions should be adhered to, and procurement should be based on careful planning. The basis for procurement should be a process that guarantees citizens have access to the best services and prevents it from being used to plunder public funds. In so far as the participation of vendors in the business operations of the business is concerned, the purchasing approach, through periodic appraisal of the supplier's capabilities, influenced the strategic relationship. The predictor variable employed was the strategic planning process (Tarigan & Siagian, 2021).

Independent variable

Dependent variable



Figure 1

Conceptual framework

Source: Authors (2023)

III. METHODOLOGY

3.1 Research Design

Explanatory research methodology, which examines cause-and-effect correlations, was used in the study. The methodical collecting of data in a standardized way from a given population or representative comes before the design of the explanatory research (Mugenda & Mugenda, 2008). The County Governments in the Western Kenya Region, including Bungoma, Busia, Kakamega, and Vihiga, made up the study's population. The 228 officials who made up the target population were Chief Officers, Directors, Finance Officers, and Procurement Managers. 174 participants who work in these Counties were chosen at random from a stratified sample of these respondents.

While interviews were used to gather qualitative information, self-administered questionnaires were used to get quantitative information required for the research.

In order to clarify each of the study's objectives, quantitative data analysis techniques were used, including both inferential and descriptive statistical techniques (frequency, percentages, means, and standard deviations). The following was the format of the regression model used to illustrate the connection amongst strategic procurement strategy and delivery of services:

$$P = \beta_0 + \beta_1 X_1 + \varepsilon$$

P stands for "Service Delivery," while " β_0 " stands for the intercept (a constant), " β_1 " is the slope related to the independent variable " X_1 ," and " ε " is the error term that is believed to represent an independent, identically random normally distributed variable with a mean of zero and homogeneity of variance.

IV. RESEARCH FINDINGS AND DISCUSSION

4.1 Descriptive statistics for Strategic Procurement Planning

One of the factors affecting how County Governments in the Western Kenya Region offer services is strategic procurement planning. There were a set of eight relevant questions to gauge Strategic Procurement Planning. The degree in which the respondents were in agreement or disagreement with the assertions was requested of them. The relevant findings are shown in Table 1 below:

Table 1*Descriptive statistics for Strategic Procurement Planning*

Strategic procurement planning	Response					Skewness		Kurtosis	
	N	Min	Max	Mean	Std. Dev.	Statistic	Std. Error	Statistic	Std. Error
Need identification is done on all procured goods and services in the County	161	1	5	4.35	.593	-1.008	.191	4.824	.379
Need assessment is carried out before undertaking Procurement activities in the County	161	1	5	4.35	.662	-1.038	.191	2.815	.379
Top management supports the implementation of strategic Procurement plans	161	2	5	4.31	.709	-.750	.191	.126	.379
Procurement plans are prepared on time to inform budgeting process	161	1	5	4.52	.680	-1.688	.191	4.338	.379
Organization's top management supports the implementation of strategic procurement plan	161	1	5	4.44	.678	-1.431	.191	3.718	.379
The needs of the people are aligned to government policy	161	1	5	4.10	.793	-.568	.191	.193	.379
Goods, works and services procured are within the estimated budget	161	2	5	4.45	.697	-1.106	.191	.785	.379
Goods, works and services procured adhere to the quality standards required	161	1	5	4.33	.772	-1.393	.191	3.108	.379
AVERAGE	161	1.375	5	4.357	.443	-1.123	.191	12.003	.379

Source: Field Data (2023)

The mean scores and standard deviation of the Likert scale responses to the Strategic Procurement Planning statements were also calculated and are displayed in Table 1 above. The participants concurred that all purchased goods and services in the County are subject to need identification ($M= 4.35$, $SD=0.593$). The negligible variation suggested that not every county conducts need identification on all purchased products and services. Also, the respondents concurred that need assessments are conducted in the County prior to procurement operations ($M=4.35$; $SD=0.662$). The negligible variation suggested that not all counties perform need assessments on all purchased products and services in the County. This is consistent with the findings of Harvey's study from (2008) which claimed that needs assessments are helpful in determining effective responses through the clear identification of the issue to guarantee that limited resources (Prior to actually Budget allocations) are prioritized toward the creation and implementation of a workable and pertinent solution for projects and also ensure that funds are used appropriately.

The participants moreover concurred that senior management supports the execution of strategic procurement initiatives ($M=4.31$, $SD=0.709$). The negligible variance suggested that not all county senior management supports the execution of strategic procurement programs. This is consistent with the research by Salim and Kitheka (2019), which found that top management engagement in companies is essential for highlighting the value of following protocols and understanding precise requirements for the departments. Furthermore, the respondents ($M=4.52$, $SD=0.680$) overwhelmingly concurred that senior management ensures prompt formulation of a strategic procurement plan to guide budgets. The negligible variance suggested that not every county's upper executives guarantee that Strategic Procurement Plans are prepared on time to support budgeting.

These results are consistent with the research by Salim and Kitheka (2019), which found that top leadership involvement is essential for highlighting the significance of following protocols and capable of understanding clear specifications for relevant department in organizational procurement processes by providing adequate training and seminars on the relevance and importance of having clear specifications that should be in line with the public procurement. The responders ($M=4.44$, $SD=0.678$) likewise concurred that procurement plans are created on schedule to inform the budgeting process. The negligible variation suggested that not every counties timely create procurement plans to guide budgets. This is in line with the PPADA (2015), which states that procuring organizations should plan their purchases and that doing so will enable them to get the most bang for their buck and minimize costs. According



to the findings, the respondents concurred that societal needs and governmental policies are compatible (M=4.10, SD=0.793).

The negligible variance suggested that not every county made purchases of products, services, and works within the projected budget. The respondents also concurred that the goods, projects, and services acquired meet the necessary quality criteria (M=4.33, SD=0.772). The negligible deviation suggested that not all counties obtained commodities, works, and services that met the necessary quality criteria. Results to the question of how Strategic Procurement Planning practice affects County Governments' ability to deliver services in Western Kenya ranged from 4.10 to 4.52 at a standard deviation of .443, with a mean response of 4.357.

In terms of Skewness and Kurtosis values, both of these values are less than 1.0, indicating that the distribution is within the normal limits and can thus be regarded as normal. When the Values of kurtosis are larger than +1.0, the distribution is leptokurtic, as seen in the result above. If the measure for Skewness has values smaller than -1.0, the distribution is left skewed.

4.2 Correlation between Strategic Procurement Planning and Service delivery

Pearson Correlation was conducted to establish the relationship between strategic procurement planning and service delivery of County Governments in Western Kenya Region. In examining the effect of strategic procurement planning on service delivery the study found out a correlation coefficient (r) of 0.636** (p<0.05) at 95 % confidence level. This postulates that there is a moderate and positive relationship between Strategic Procurement Planning and service delivery of County Governments in Western Kenya Region. This implies that an increase in strategic procurement planning will lead to increase in service delivery of County Governments in Western Kenya Region. The results are shown in Table 2.

Table 2
Correlation between Strategic Procurement Planning and Service delivery

		SPP	SERV Del
SPP	Pearson Correlation	1	
	Sig. (2-tailed)		
	N	162	
SERV Del	Pearson Correlation	.636**	1
	Sig. (2-tailed)	.000	
	N	162	162

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

4.3 Regression results of Strategic Procurement Planning and Service Delivery

To determine the degree of the dependent variable (service delivery) that can be attributed to the independent variable (Strategic Procurement Planning) a regression analysis was performed. The analysis of the findings is shown in Table 3.

Table 3
Model summary for Strategic Procurement Planning and Service Delivery

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.636 ^a	.405	.401	.40066

a. Dependent Variable: SERV Del

b. Predictors: (Constant), SPP

Strategic Procurement Planning accounts for 40.5% of the variation in County Governments' service delivery in the western Kenya Region, according to the regression model's R², which was calculated as 0.405. The remaining variance is accounted by the error term.

Table 4*ANOVA for Strategic Procurement Planning and Service Delivery*

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17.483	1	17.483	108.908	.000 ^b
	Residual	25.685	160	.161		
	Total	43.168	161			

a. Dependent Variable: SERV Del

b. Predictors: (Constant), SPP

The F test result of (1,161) = 108.908, $P < 0.05$, supports the model's ability to adequately account for variance in the dependent variable. This implies that Strategic Procurement Planning is a valuable tool for predicting service delivery.

Table 5*Coefficients for Strategic Procurement Planning and Service Delivery*

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.487	.236		6.306	.000
	SPP	.617	.059	.636	10.436	.000

a. Dependent Variable: SERV Del

The regression model obtained from the output was:

$$\text{Service Delivery} = 1.487 + 0.636 \text{ Strategic Procurement Planning} + \text{error}$$

The standardized regression coefficient for Strategic Procurement Planning was 0.636. This indicated that a unit increase in Strategic Procurement Planning would result in 63.6% increase in service delivery of County Governments in Western Kenya Region. At the 5% significance level, the t-statistic for the regression coefficient for Strategic Procurement Planning was significant ($t=10.436$, $p < 0.05$), suggesting rejection of the null hypothesis. The research findings suggest that there exists a substantial positive association between Strategic Procurement Planning and service delivery of County Governments in Western Kenya Region on the basis of these figures. The null hypothesis which indicated no existence of a significant statistical effect of Strategic Procurement Planning practice on Service Delivery of County Governments in Western Kenya was therefore rejected and the alternative hypothesis which indicated existence of a statistically significant effect of Strategic Procurement Planning practice on Service Delivery of County Governments in Western Kenya was instead accepted. This conclusion is confirmed by that of Kariuki and Wabala (2021), who found that procurement planning significantly, contributes to the performance of the organizations in the public sector by enabling efficiency and effectiveness. Strategic Procurement Planning, which is a time-saving approach to problem-solving, has been shown by Ogwel, Iravo, and Lagat (2016) to increase quality, value for money, proper resource consumption, speed of decision-making, and inventiveness.

V. CONCLUSION & RECOMMENDATIONS

5.1 Conclusion

The results of the preceding chapter make it clear that County Governments have successfully implemented their Strategic Procurement Strategy in a number of countywide procurement transactions. To accomplish the goals outlined in the Counties Procurement Strategy, the National Government, however, faces a hurdle in timely disbursing the monies. Service delivery in County Governments in Western Kenya has a substantial association with strategic procurement planning. This suggests that county governments in Western Kenya would supply services at significantly higher levels if strategic procurement planning were increased. As a result, the study came to the conclusion that County Governments in the Western Kenya Region's service delivery is significantly impacted by Strategic Procurement Planning.



5.2 Recommendation

According to the study, County governments ought to make sure that its strategic procurement strategies are fully developed and implemented in such a timely basis because they are essential for starting delivery of services. Therefore, it is necessary for procurement departments to carry out needs assessments effectively. Information gathered should be communicated with relevant department to help them prepare procurement plans based on current market prices. The creation of a procurement plan is a time-consuming and complex process; therefore management must educate users and the purchasing staff about its creation and execution in order to improve service delivery for County operations and, consequently, the efficient use of funds.

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