

**EFFECT OF ELECTRONIC PROCUREMENT PRACTICES ON  
PERFORMANCE OF PREFERENTIAL PROCUREMENT IN  
KWALE COUNTY GOVERNMENT**

**ABDIRAHMAN H. ABDI**



**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF THE  
REQUIREMENTS FOR THE AWARD OF MASTER OF SCIENCE IN  
PROCUREMENT AND SUPPLIES MANAGEMENT OF  
MOUNT KENYA UNIVERSITY**

**JULY, 2023**

## DECLARATION

### Student Declaration and Approval

I declare that this project is my original work and has not been presented to any other institution of higher learning other than Mount Kenya University for examination.

Signed: .....

Date: 21<sup>st</sup> July, 2023

**ABDIRAHMAN H. ABDI MBA/2021/75262**

### Supervisors' Approval

This project has been submitted for examination with my approval as the University supervisor.

Signed: .....

Date: 21<sup>st</sup> July, 2023

**Dr. Peter Barasa Wamalwa, Ph.D**

Lecturer, Mount Kenya University



Mount Kenya University

## DEDICATION

I dedicate this project to the almighty God whose grace enabled me to pursue this course,  
and to my family for the support.



## ACKNOWLEDGEMENTS

In a special way, I thank the Almighty God for blessing the labour of my hands and for protecting me all through this journey, for without him, nothing would be possible. I recognize the efforts of my supervisor, Dr. Peter Barasa Wamalwa for his commitment, special attention and unending guidance in the development of this proposal. Thanks to the MKU university staff and fellow students from the School of Business and economic for your unfaltering support. Finally, I acknowledge my colleagues and friends for their support. I'm sincerely indebted to you all since this research could not have been realized without your support.



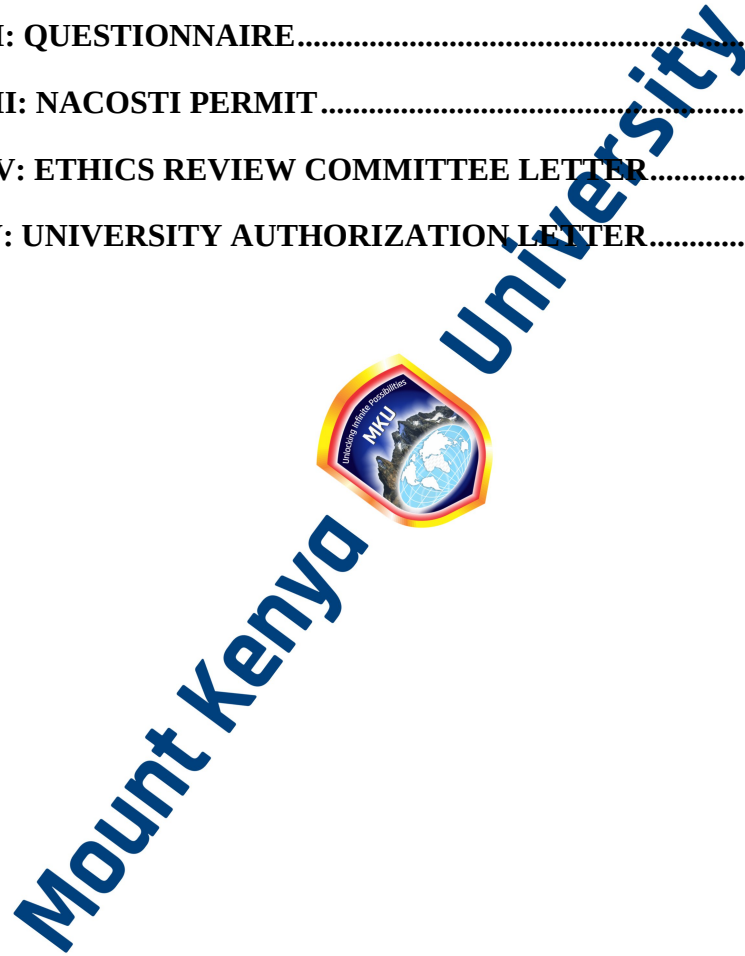
## TABLE OF CONTENTS

<b>DEDICATION.....</b>	<b>ii</b>
<b>ACKNOWLEDGEMENTS.....</b>	<b>iii</b>
<b>TABLE OF CONTENTS.....</b>	<b>iv</b>
<b>LIST OF TABLES.....</b>	<b>vii</b>
<b>LIST OF ACRONYMNS AND ABBREVIATIONS.....</b>	<b>viii</b>
<b>ABSTRACT.....</b>	<b>ix</b>
<b>CHAPTER ONE.....</b>	<b>1</b>
<b>INTRODUCTION.....</b>	<b>1</b>
1.0 Introduction.....	1
1.1 Background to the Study.....	1
1.2 Statement of the Problem.....	2
1.3 General Objective.....	2
1.3.1 Specific Objectives.....	2
1.4 Research Questions.....	2
1.5 Significance of the Study.....	3
1.5.1 County Governments.....	3
1.5.2 Public Procurement Regulatory bodies.....	3
1.5.3 Government of Kenya.....	3
1.5.4 Disadvantaged groups.....	3
1.5.5 Researchers and other Scholars.....	3
1.6 Scope of the Study.....	4
1.7 Limitation and Delimitation of the Study.....	4
1.8 Delimitation of the Study.....	4

19 Operational Definition of Terms.....	4
<b>CHAPTER TWO.....</b>	<b>7</b>
<b>LITERATURE REVIEW.....</b>	<b>7</b>
2.0 Introduction.....	7
2.1 Theoretical Framework.....	7
2.1.1 Technology Acceptance Theory.....	7
2.1.2 Innovation Diffusion Theory.....	7
2.3 Conceptual Framework.....	8
2.3.1 Concept of E-Procurement.....	9
2.3.2 Performance of the Preferential Procurement.....	9
2.4 Empirical review	
2.4.1 Effects of E-Tendering on Performance of the Preferential Procurement .	10
2.4.2 Effects of E-Sourcing on Performance of the Preferential Procurement	24
.....	10
2.4.3 Effects of E-Informing on Performance of the Preferential Procurement .	11
.....	11
2.4.4 Effects of E-Ordering on Performance of the Preferential Procurement	27
.....	11
2.5 Research Gaps.....	11
<b>CHAPTER THREE.....</b>	<b>12</b>
<b>RESEARCH METHODOLOGY.....</b>	<b>12</b>
3.1 Introduction.....	12
3.2 Research Methodology.....	12
3.3 Research design.....	12
3.4 Target Population.....	12
3.5 Sample Design and Sampling Techniques.....	13
3.6 Data Collection Instrument and Procedures.....	14

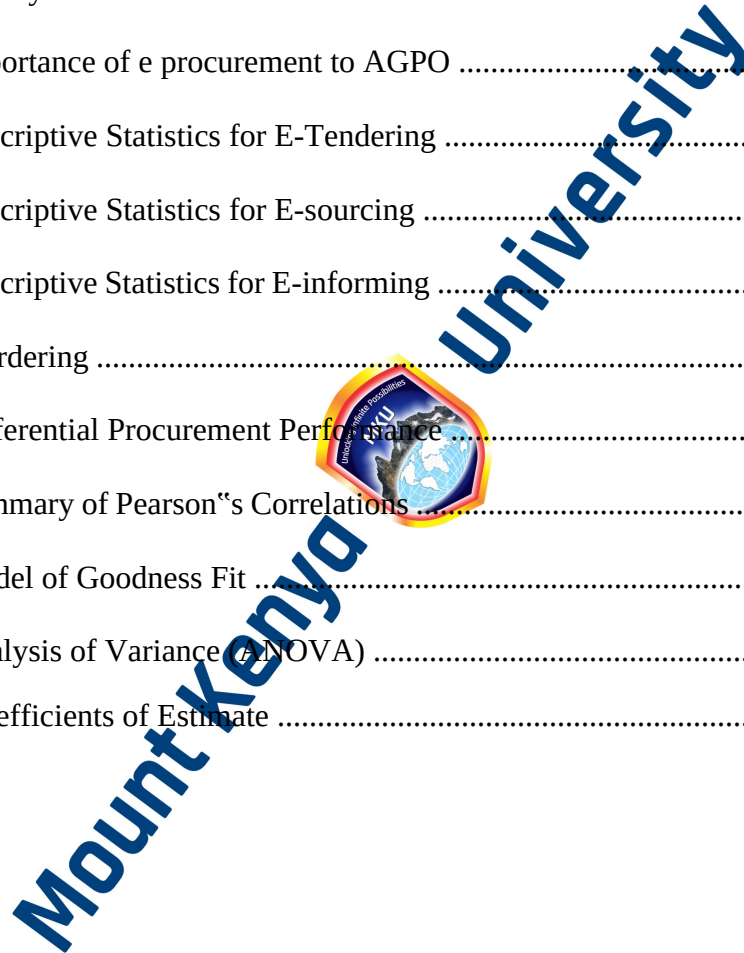
3.7 Pilot testing.....	14
3.7.1 Reliability of the Research Instruments.....	14
3.7.2 Validity of the Research Instruments.....	14
3.8 Data Analysis and Presentation.....	14
3.10 Ethical Considerations.....	15
<b>CHAPTER FOUR.....</b>	<b>16</b>
<b>RESEARCH FINDINGS AND DISCUSSION.....</b>	<b>16</b>
4.1 Introduction.....	16
4.2 Response rate.....	16
4.3 Reliability Tests.....	16
4.3 General Information.....	16
4.3.1 County Adherence Preferential Procurement.....	17
4.4 Importance of e procurement to ACPO.....	17
4.5 Descriptive Statistics for E-Tendering.....	17
4.6 Descriptive Statistics for E-sourcing.....	18
4.7 Descriptive Statistics for E-informing.....	20
4.8 Descriptive Statistics for E-ordering.....	21
4.9 Descriptive Statistics for Preferential Procurement Performance.....	22
4.12 Effect of E-Procurement Adoption on Performance of Preferential Procurement in Kwale County government.....	24
4.12.1 Model Summary.....	24
4.14 Coefficients of Estimate.....	25
<b>CHAPTER FIVE.....</b>	<b>28</b>
<b>SUMMARY OF FINDINGS, CONCLUSION, AND RECOMMENDATIONS..</b>	<b>28</b>
5.1 Introduction.....	28
5.2 Summary of the Findings.....	28

5.3 Conclusion.....	28
5.4 Recommendations.....	28
5.5 Further Research Recommendations.....	29
<b>REFERENCES.....</b>	<b>30</b>
<b>APPENDICES.....</b>	<b>33</b>
<b>APPENDIX I: INTRODUCTION LETTER.....</b>	<b>33</b>
<b>APPENDIX II: QUESTIONNAIRE.....</b>	<b>34</b>
<b>APPENDIX III: NACOSTI PERMIT.....</b>	<b>39</b>
<b>APPENDIX IV: ETHICS REVIEW COMMITTEE LETTER.....</b>	<b>39</b>
<b>APPENDIX V: UNIVERSITY AUTHORIZATION LETTER.....</b>	<b>39</b>



## LIST OF TABLES

Table 1	Target Population .....	32
Table 2	Sample Size .....	33
Table 3	Reliability Analysis .....	39
Table 4	County Adherence Preferential Procurement .....	40
Table 5	Importance of e procurement to AGPO .....	40
Table 6	Descriptive Statistics for E-Tendering .....	42
Table 7	Descriptive Statistics for E-sourcing .....	44
Table 8	Descriptive Statistics for E-informing .....	46
Table 9	E-ordering .....	49
Table 10	Preferential Procurement Performance .....	51
Table 11	Summary of Pearson's Correlations .....	54
Table 12	Model of Goodness Fit .....	55
Table 13	Analysis of Variance (ANOVA) .....	57
Table 14	Coefficients of Estimate .....	57



## LIST OF FIGURES

Figure 1	Conceptual framework .....	19
----------	----------------------------	----

## LIST OF ACRONYMS AND ABBREVIATIONS

AGBO	Access to Government Procurement Opportunities
DOI	Diffusion of Innovation
EDI	Electronic Data Interchange
GDP	Gross Domestic Product
ICTs	Information and Communication Technologies
IEBC	Independent Electoral and Boundaries Commission
ILO's	International Labour Organization
KNBS	Kenyan National Bureau of Statistics
OECD	Organization for Economic Co-operation and Development
PP	Preferential Procurement
PPRA	Public Procurement Regulatory Authority
PWDs	People with Disabilities
SEM	Structural Equation Modeling
SMEs	Small- And Medium-Sized Enterprises
TAM	Technology Acceptance Model
UN	United Nations

## ABSTRACT

The accounting officer of a procuring entity, such as County Governments, is required by the Constitution's Article 227(2) and Section 155 of the Public Procurement and Asset Disposal Act, 2022, to set aside a specific portion of their procurement budget for disadvantaged groups, including people with disabilities, women, and youth. This allocation must be no less than 30% and must adhere to the regulations and provisions of the Act regarding preferences and reservations. However, there are still a myriad of challenges in the implementation of the preferential which has a direct effect on its performance. The main objective of this study was to determine effect of electronic procurement practices on performance of preferential procurement in Kwale County Government. The study specifically was determine the effect of e-tendering practice on the performance of preferential procurement in Kwale County Government; establish the effect of e-sourcing practice on performance of preferential procurement in Kwale County Government; establish the effect of e-informing practice on performance of preferential procurement in Kwale County Government and determine the effect of e-ordering practice on performance of preferential procurement in Kwale County Government. This study was guided by Technology Acceptance Theory and Innovation Diffusion Theory. Explanatory analysis design was used for this study. Target population was 185 respondents who were comprise 66 employees from procurement, ICT and administration departments in Kwale County Government and 119 youth, women and people with disability participating in the county government procurement opportunities. The study was employ stratified sampling technique in selecting 127 respondents. This study was employ questionnaires as an instrument for capturing data that was used to analyze the study objectives. Using Cronbach's Alpha, reliability was assessed while face validity and content validity was utilized to test the data's validity. Descriptive statistics (such as frequency, percentages, mean, and standard deviation) as well as inferential statistics (like correlation and regression analysis) was aid in data analysis with the support of SPSS version 24. Findings showed that e-tendering practice, e-sourcing practice, e-informing practice and e-ordering practice had significant and positive effect on performance of preferential procurement in Kwale County Government. The conclusions of the study are that e-tendering, e-sourcing, e-informing

and e-ordering improves performance of preferential procurement in Kwale County Government. Thus, the study recommends that the Kwale County Government should prioritize the development and implementation of a system that allows for the electronic transmission of tender specification. The government should encourage collaboration and engagement with suppliers through e-informing platforms. The county government should continue to prioritize and invest in the implementation of e-ordering systems.



# CHAPTER ONE

## INTRODUCTION

### 1.0 Introduction

This chapter presents background of the study, statement of the problem, general objective, specific objectives, and significance of the study, scope and delimitations of the study.

### 1.1 Background to the Study

The public procurement as crucial element of public administration in a nation, improves economic and social envelopment of a county by connecting it"s with that financial sector with social outcomes (Abuselidze & Abuselidze, 2021). Public procurement is recognized as effective and efficient methods of promoting socioeconomic goals of country by giving priorities of empowering disadvantaged social groups through contract between governments and private entities (Fourie & Malan, 2020, Organization for Economic Co-operation and Development (OECD), 2017). In order to empower women, youth, and people with disabilities and fight poverty, public procurement offers an outstanding and unrivaled method that is effective and efficient. Public procurement contributes between 10% and 15% of the GDP in wealthy countries and over 30% of the GDP in underdeveloped nations (Lundberg, et al., 2015). Economic development of marginalized people is crucial for the corporate community and politicians (Grandia & Kruyen, 2020).

Therefore, ensuring that individuals with disabilities have equitable access to public procurement inclusion and opportunities is essential for social and economic growth, recovery from the economic and financial crisis, and achieving the Millennium

Development Goal. According to the ILO's (2017) study, countries authorities, nongovernmental organizations, and groups for disabled persons must work together to create comprehensive initiatives and policies that was increase the number of individuals with disabilities who participating in public procurements. However, there have been challenges in public procurement which has resulted to small number of PWD, women and youth accessing government tenders. This has attracted the attention of academicians, researchers, donors, policy makers and researchers (Tibben & Astbrink, 2012).

The expanding progression and savage challenge of the world economy has requested governments to cultivate methods to advance formerly underprivileged groups' participation in Government Procurement Opportunities. The incorporation of Information and Communication Technologies (ICTs), particularly the use of the internet to direct business online, is quickly transforming the traditional technique of collaboration. With the steady rapid growth of globalization and progress, eprocurement or e-acquisition is accepted to be the most cost-effective device to enable recently hindered gatherings to increase greater markets and the capacity to contend with bigger associations for Government tenders (Belisari, Binci & Appollon, 2020). This is in light with the favorable circumstances' characteristic in web, for example, speed, ease of use, minimal effort and wide publicness which has permitted eprocurement to be progressively diffused all inclusive, uniting nations into a global networked economy (Adebayo & Evans, 2015).

Globally, E-procurement have gained prevalence as an instrument for ensuring women, youth and people with disabilities are included in public procurement. For example, in United Kingdom, there has been implementation of online procurement in the purchase process has abated challenges of including women in public tendering process (Brandon-Jones & Kauppi, 2018). E-procurement as modern public procurement technology has been implemented in Latina America in fighting corruption in Latin America and making inclusion of minorities which include youth, people with disabilities and women in public procurement system more efficient (Ruiz, 2020).

A study conducted in Canada by Orser, et al., (2021) highlighted e-procurement as most effective strategy that is enacting policies in public procurement that offers opportunities small and medium business owned by women. After Covid 19 pandemic, Brazilian government improved its public sector procurement through automating systems that increase women and minorities participation in the list of suppliers and present a data that is diversified prior to the bidding. This system has also enhanced gender policies in public procurement (Cordova, 2021). United states local government in their effort of ensuring there is efficiency in procedures of public procurement procedures and decision-making process is centralized, have implement e procurement that has created economic opportunities for women and gender equality (Stritch, et al., 2020).

Though African countries have been slow in inclusion of women, youth and people with disabilities in public procurement, some sub-Saharan African countries have made an attempt of using e-procurement in boosting women's economic empowerment via procurement. For example, in Ghana, government has implemented e-procurement in curbing corruption, irregularities and guarding against cartels being formed to bid for public resulting in creating effective preferential procurement (OseiTutu et al., 2020).

In Tanzania, e-procurement has been established in effective implementation public procurement policy that contains clauses for fair and equal treatment when offering opportunities to PWD, women and youth. The public procurement is Tanzania as also enacted a policy for that allocated women, PWD and youth 30 percent of government procurement (Ovadia, 2022). According BC (2020) African countries need to implement E-procurement systems that can be provide effective transparency, accountability and equality hence compensating for the historical lack of gender balance imprinted in public procurement for technology in general, amending historical injustices towards gender equality and mitigating public biased systems in the future.

The AGPO programme has access to government business worth Kshs. 300 billion annually (Procurement Reform Project, 2014). According to the M&E reports on the AGPO programme available at the Treasury of Kenya, since the inception of the

AGPO program in 2013 up to 30<sup>th</sup> September 2017, 26,067, 30,205, 2,653 tenders had been awarded to the youth, women and PWDs respectively representing 44.86% for the youth, 52.32 % for the women and only 2.81% for PWDs. It is evident that PWDs continue to be underprivileged in accessing the Government procurement opportunities. However, it being at the limit building stage, the heap of measures attempted was yield positive results in several years (www.agpo.go.ke, Constitution of Kenya 2010). Such this study investigated various aspect of e-procurement applied in procurement and how they affect preferential procurement in Kwale County Government.

## 1.2 Statement of the Problem

Preferential procurement in county government was an act of parliament that county government to have an absolute reservation of at any rate 30 percent of the acquirement spending plan to the special groups (youth, women and people with disabilities). The guidelines additionally offer direction to county government substances on the best way to promote and assess the offers presented by the special groups. Open elements are likewise being obligatory to succumb quarterly reports to the Public Procurement Regulatory Authority (PPRA) for consistence and performance audits (PPADA, 2015).

However, there are still a myriad of challenges in the implementation of the preferential which has a direct effect on its performance. For example, County Government in coast, such as Mombasa, Kwale and Lamu County governments, only 13% of special groups with large percentage being youth who fully participated in government tenders (AGPO, 2018). A survey conducted by United Nations (UN) women in coast counties indicated that in Kwale County, though performance of preferential procurement was compared to other counties in the coast, there is low participation of PWD, Youth and women in public procurement opportunities). In addition, despite government intervention by putting structures and setting a trust funds aimed at helping women, youth and women under AGPO access public procurement

opportunities, there is still low uptake of uptake of the 30% of the procurement business opportunities because of to the large percentage of groups' failure to adequately to comply with the requirements of registration their business registration processes, complicated bidding and tendering process, and obtaining loans in order to engage in government procurement opportunities In 2020, showed that only small percent of women win tenders in most county governments in Kenya. The study by Nganga (2020) showed that out of 3316 women who had prequalified for tenders in county government only 46% percent of them qualified signaling challenges from the county governments on women applicant themselves. Some of the challenges cited, were technical challenges, financial challenges, lack and delay of tender information, lack of transparency, corruption among others.

Based on previous studies e-procurement can improve disclosure of tender information within time and easy access to tender document even for rural women and youth (Singh & Chan, 2022). Locally several studies on e-procurement such Matano et al., (2020) and Maina (2017) showed that e-procurement service such as e-tendering and e-sourcing help in reducing procuring period and eliminate prejudice and biasness in government procurement process. Also, Obunde, (2019) and Nyagu and Juma, (2019) revealed that 60% of performance of county government depends on eprocurement performance. However, these studies did not show how e-procurement can help on access of procurement opportunities in county government by special groups. There are limited studies on link between e-procurement and performance of preferential procurement in Kwale County Government. Thus, the current study assessed effect of e-procurement practices on performance of preferential procurement in Kwale County Government.

### **1.3 General Objective**

The main objective of the study was to determine effect of electronic procurement practices on performance of preferential procurement in Kwale County Government.

### 1.3.1 Specific Objectives

- i. To determine the effect of e-tendering practice on the performance of preferential procurement in Kwale County Government.
- ii. To establish the effect of e-sourcing practice on performance of preferential procurement in Kwale County Government.
- iii. To establish the effect of e-informing practice on performance of preferential procurement in Kwale County Government.
- iv. To determine the effect of e-ordering practice on performance of preferential procurement in Kwale County Government.

### 1.4 Research Questions

The research was guided by the following research questions:-

- i. What is the effect of e-tendering practice on the performance of the preferential procurement in Kwale County Government?
- ii. What is the effect of e-sourcing practice affect performance of the preferential procurement in Kwale County Government?
- iii. How does e-informing practice affect performance of the preferential procurement in Kwale County Government?
- iv. To what extent does e-ordering practice affect performance of the preferential procurement in Kwale County Government?

### 1.5 Significance of the Study

From the review of background and statement of the problem; the study found there is a problem of performance of preferential procurement among county Government in Kenya as such the study attempts to find out if electronic procurement adoption can contribute preferential procurement to achieve its objectives in Kenya. Therefore, is of immense importance to the following groups:-

### **1.5.1 County Governments**

The findings from this study is significant to county governments in Kenya as it provides complementary knowledge and useful information on formulation of polices on performance management practices of public procurement processes in their respective County Governments promoting equality, fairness and non-discriminatory procurement practices. The management of county will be able to recognize the shortcomings in the utilization of acquirement towards impeded gatherings; they will have the option to know the intrinsic shortcomings in their obtainment framework and gadget methods for surviving them through e-procurement.

### **1.5.2 Public Procurement Regulatory bodies**

Public regulatory bodies such as Public Procurement Regulatory Authority will apply study findings with respects to starting guideline structure and strategies that will help help in tasks of the open obtainment framework in the nation in focal point of AGPO, another part of acquisition that is forming the inclusive aspect of Public Procurement activities in Kenya. The findings may also help increase the speed at which disadvantaged groups“ empowerment through procurement is done. This in the long run will help in formulation and implementation on issues affecting procurement and Disadvantaged groups

### **1.5.3 Government of Kenya**

This study is of significant to the Kenyan government in that, the government can reformulate strategies and policies that can significantly improve the performance of the public procurement sector which impacts on the Kenyan economic and social economy.

#### **1.5.4 Disadvantaged groups**

Being an opportunity to move from SME"s to government procurement, the findings of the research would help the disadvantaged groups to ensure they know the opportunities available to them and the benefits of those opportunities economically, socially and politically. It also empowers them technologically hence reduce their trading costs, an advantage of technology.

#### **1.5.5 Researchers and other Scholars**

As it pertains to e-procurement in public procurement, the study's findings serve as a point of reference for future research on AGPO and are valuable to scholars and researchers. Additionally, the study was advance the current understanding of AGPO while also proposing potential avenues for further research. The study discoveries assists with including the collection of existing literature about the investigation factors and this was help to future understudies and specialists.

#### **1.6 Scope of the Study**

In content scope, the study only focused on effect of electronic procurement on performance of preferential procurement in Kwale County Government. The study only studied four dimensions of e-procurement which includes e-tendering, esourcing, e-informing and e-ordering. In geographical scope, the study was carried out in Kwale County Government to give a true reflection on the county government"s performance on preferential procurement. The county was chosen because of their different uniqueness which may be reflective of other counties which the study did not cover. Secondly, the county is among the best among county governments in coast in implementation of performance of preferential procurement. The target population of the study was a total of 78 respondents in the Kwale County from departments of Procurement, ICT and administration.

## 1.7 Limitation and Delimitation of the Study

The bureaucratic nature of government and fear of victimization might render some of the respondents afraid of freely and wasingly expressing themselves to offer full disclosure, resulting in apathy. However, efforts wasmade to gain the respondents“ confidence in the study by obtaining authority from the Kwale county government human resource manager, county top management and other relevant bodies who was authorize the institutions to offer any assistance required.

An additional limitation is the study was conducted in the supplier dealing with Kwale county government setting with respondent being procurement managers. This could result into fear by the respondent to engage the researcher, but was overcome by the researcher adopting a friendlier and professional approach where respondents was informed that, the study was only be for academic purposes therefore utmost confidentiality and anonymity was ensured.

## 1.8 Delimitation of the Study

The study was delimited to Kwale County Government. in addition the study was delimited to four dimensions of e-procurement which includes e-tendering, e-sourcing, e-informing and e-ordering. The target population of the study was a total of 78 respondents in the Kwale County from departments of Procurement, ICT and administration.

## 1.9 Operational Definition of Terms

**Disadvantaged Group** Implies people denied by standard society, access to assets and gadgets that are valuable for their endurance in a way that hindrances them or people who have been exposed to partiality or social predisposition due to their ways of life as individuals from get-together or classifications of people

regardless of their individual characteristics, and remembers undertakings for which a larger part of the individuals or partners are youth, females, handicapped population (PPADA, 2015).

**E-informing**

The process of gathering and distributing procurement information is distinct from the use of internet technology and includes both internal and external groups. One method of e-procurement is the dissemination of procurement management data on an extranet that can be accessed by internal clients and suppliers. This method is also referred to as buying intelligence or spends management (Van Weele, 2008).

**Electronic Procurement**

Refer to use technology to execute personal or all phases of procurement process including, receipt, negotiation, post-purchase review, search and sourcing.

**E-ordering**

is a procedure of procurement that encompasses developing and executing buy orders, placing purchase orders, receiving items, and employing a web-based Enterprise Resource Planning (ERP) software system. The products and services sought in the case of e-ordering include services that are indirect and commodities, such as non-product related services and products.

**E-procurement**

Elaborates the process of procurement using electronic medium such as the communication know-hows and internet or other information.

**E-sourcing**

Using web-based platforms and instruments for decision support to collect and compare data from many providers for a certain procurement category.

**E-tendering**

entails sending Requests for Information (RFIs) and Requests for Prices (RFPs) to suppliers and receiving their answers through the internet. An e-tendering system, which may also allow the review and analysis of supplier answers, is frequently used to ease this process. It should be noted that e-tendering does not imply the signing of a contract with a provider.

**Performance**

This is the general efficiency and effectiveness of the procurement function in an organization.

**Preference**

Means the opportunity or right to pick a tenderer from a recognized target group that is deemed more suitable than another.

**Preferential Procurement**

The proportion of entire procurement spent on services and goods purchased from an empowered group of suppliers.

**Preferential Procurement** Refer to government policy that establish the obligation of Regulations Government to grant preferential procurement focuses to endeavors possessed by historically disadvantaged people, including females (G.o.K, 2011).

**Procurement** Refers to the buying of goods and services by accounts and organizations for a considerable share of both the demand for goods and services in the economy and public expenditure.



## CHAPTER TWO

### LITERATURE REVIEW

#### 2.0 Introduction

This section presents theoretical and empirical review, research gaps and theoretical and conceptual frameworks.

#### 2.1 Theoretical Framework

According to Walker and Brammer (2012) and Bonsón et al. (2012) theoretical review on available literature that discusses e-procurement adoption by governments in ensuring there is improved participation of PWD, women and youth in public procurement opportunities is exploratory and tentative. Aboelmaged (2010) argues that most of previous studies have given a major focus and emphasize on determinants if adoption of e-procurement by governments its related attributes, political, social and economic factors. However, there is little theoretical review on how use of eprocurement can enhance women, PWD and youth access to public procurement opportunities. Therefore, this study provided theoretical and empirical review concept of e-procurement and concept of Performance of the Preferential Procurement.

The theoretical framework is the structure that can hold or support a theory of a research study (Bhola, 1995). A hypothetical system alludes to how the scientist creates contemplations on what the potential answers could be, these idea and speculations are then bunched into topics that outline the subject (Ngai, Drew, Lo. & Skitmore, 2002). This research concentrated on e-obtainment and execution of the particular acquisition strategy. According to Bhola (1995) clarified that it is imperative to join more than one hypothetical model to accomplish a superior comprehension of the e-procurement selection marvel. This research concentrated on e-procurement and

execution of the special acquisition arrangement. Thus, the study was guided by Technology Acceptance Theory and Innovation Diffusion Theory.

### 2.1.1 Technology Acceptance Theory

Technology Acceptance Model (TAM) by Davis et al., 1989 premise of the theory is computer usage and acceptance of Electronic acquisition hence ability of users to use technology to order online. It is contended that it was help in understanding selection of innovation in public procurement (Mathieson, 1991).

In spite of the fact that the hypothesis recommends apparent helpfulness and saw usability as basic precursors to clients' innovation appropriation process, those models are not explicit on the usage of another innovation, for example, e-procurement framework. The applied framework draws on, which is discovered valuable to comprehend key difficulties of e-procurement usage in government area (Masudin, Aprilia, Norah and Restuputri, 2021). According to TAM, an institution's workforce's mindset is really what fosters acceptance of technology. When people believe a technological advancement would reduce their workload and make using it simple, they would accept it as valuable (Venkatesh, Thong & Xu, 2012). TAM assists in figuring out and analyzing human behavior, particularly when technological innovations are presented. This was aid in understanding how some innovations are embraced and others rejected (Suhaidi, 2021).

According to Zitha, Mukonza AND Mpehle (2021) utilized this theory comprehensive comprehension of an e-Procurement program's perceived effectiveness and ease of use, as well as how such a system may help reduce costs when carrying out governance duties in the public sector context in South Africa.

Thus, the adoption, acceptance and usage e-procurement among public institutions be rated by the technology acceptance model. It is relevant to the study as it was help us understand how technology acceptance was help in fostering effectiveness of eprocurement on performance preferential policy. Technology Acceptance Theory is

thought to be relevant to this study as it establishes the effect of e- procurement on the performance of preference procurement in county government in Kenya.

### **2.1.2 Innovation Diffusion Theory**

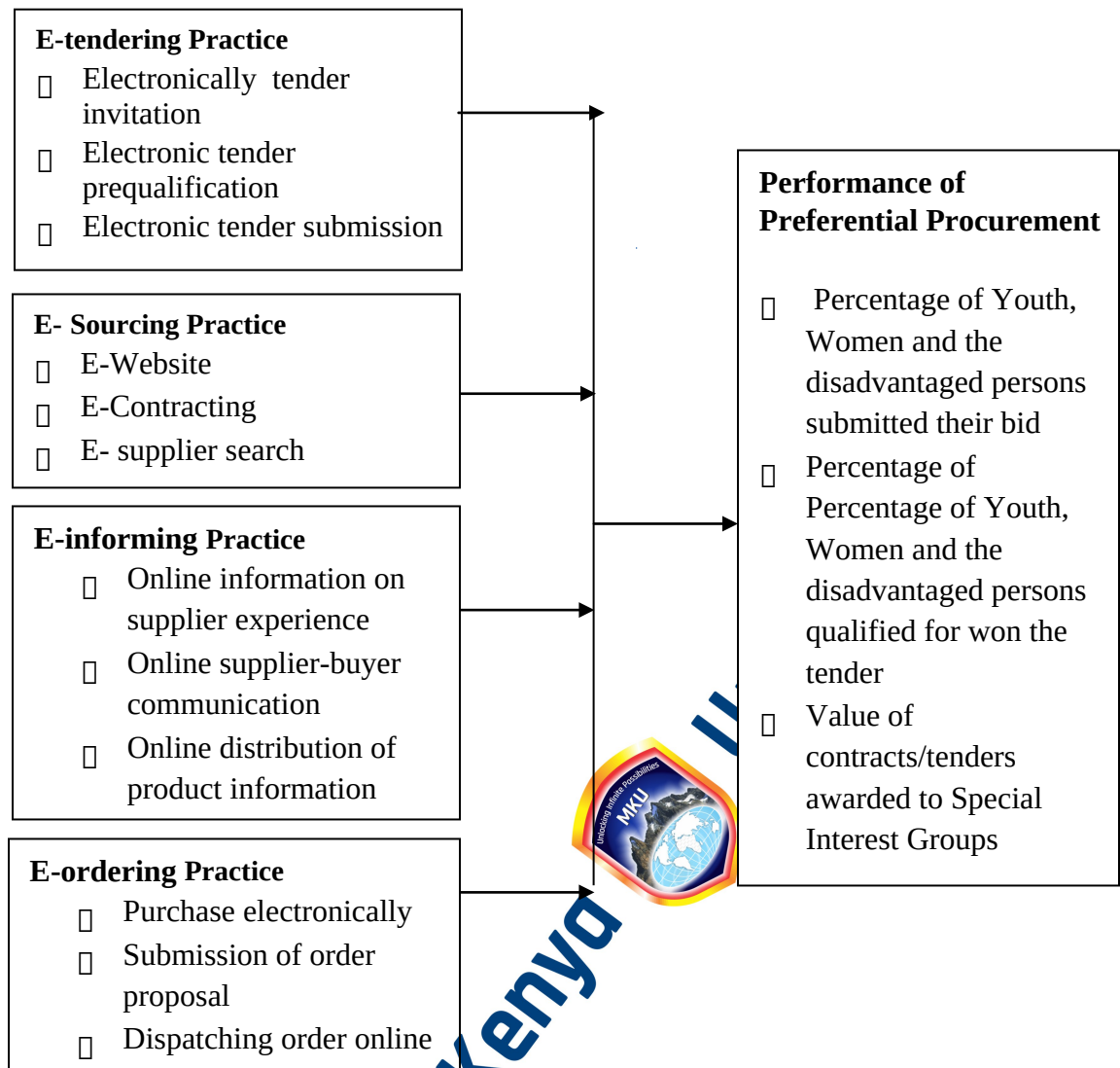
Diffusion of Innovation (DOI) theory by Rogers (1995) aid in the acceptance and diffusion of new technical ideas by removing confusion about the innovation through communication over time. According to the theory innovation is a perceptual practice or aspect that is thought of as a new way of portraying a character or every unique element of adoption. Diffusion is the approach with the aid of which development is embraced through the use of human beings from a special group. Diffusion of innovation research has been broadly related in a variety of fields, including education, advertising, communication, sociology, agriculture, and fact innovation (Khayer, Bao, and Nguyen, 2020). Rogers (2010) also points out that diffusion is not a single, regular speculation, but rather a collection of hypothetical points of view that are associated with the overall concept of diffusion, i.e., a meta-speculation. Diffusion is the process through which an innovation is disseminated over time among individuals in a social context through the use of certain channels (Rogers, 2010).

Rogers (2013) contends in DOI that technology innovation reflects an institution's staff's ability to understand, implement, and gain value from innovation while mitigating risk (Rogers, 2003). Innovation Diffusion Theory is thought to be relevant for this so as to establish the effect of e-informing on the performance of preference procurement in county government in Kenya; hence it gives a theoretical background for this study. The theory is relevant to our study as it helps us understand how the old status quo is being upstaged by new ideas and information through adoption of electronic procurement and preference regulations both being almost new arenas in public procurement in Kenya.

### 2.3 Conceptual Framework

A conceptual framework is a diagrammatical illustration of the constructs or indicators and how they are regarded to be related. The research study formulated the independent, dependent as shown in this proposal in Figure.2.1 below: The framework hypothesized that independent variables which are e-tendering, e-sourcing, e-informing and e-ordering was affect dependent variable (Performance of Preferential Procurement).





(Independent Variables)

(Dependent Variable) Figure

1 Conceptual framework Source (researcher, 2023)

### 2.3.1 Concept of E-Procurement

In the past 30 years, government agencies continued to increase the reliance on information and communication technologies, such as e-procurement systems, to improve management effectiveness and efficiency while also lowering transaction costs (Buffat 2015). The e-procurement system is a critical management tool for integrating and automating procurement processes like bidding, ordering, auditing and negotiating (Chen et al., 2022). E-procurement entails the sale and purchase of goods, work, and

services from one company to another via the online platform and other networks and information systems, such as electronic data transmission and planning (Shafiee & Rejali, 2022). E-procurement, as defined by Chan and Owusu (2022), refers to incorporation of ICT to performance procurement functions electronically such as tendering, sourcing, negotiating, paying, invoicing and and post-purchase reviewing.

According to Afolabi et al., (2022), e-procurement is presently being utilized to establish a process of procurement that sensitive and responsive to gender to environmental changes. Procurement in the public sector, in particular, is influenced by political, cultural and social factors. For effective government/public procurement implementation process, specialized skills and resources are necessities. Furthermore, the procedure necessitates a well-coordinated transformation of management systems and training program (Haryono, 2022).

### **2.3.2 Performance of the Preferential Procurement**

The preferential procurement (PP) in Kenya has been drawn up within the context of the initiatives taken by her Government in recognition of the huge potential of youth, women and PWD –owned enterprises to contribute to economic development and to tackle the problems that young people, women, and people who are disabled face, such as joblessness. So adjusting the public procurement regulations to reserve 30% of public procurement go to young people, women, and individuals who have disabilities by all public entities (Gathira, 2013)

Procurement overall performance shields a wide domain of procurement, which consist of; inner users, market forces, capacity of employees in procurement departments, getting limit, management decisions, the suppliers and authorities approach (Engström et al. 2009). Because objectives, performance measures, and key performance indicators are rarely identified, evaluating procurement overall performance becomes extremely difficult (Nyeko and Kakwezi, 2010). According to research findings, it is difficult to achieve cost-effectiveness within the instructions procurement practices for a wide range of reasons, which include: massive volume of paper generated; complex procedures; absence of centralized control; bureaucratic processes; gradual exchange

processing; Increased managing errors; excessive country intervention; difficulties in expediting deliveries; such a wide range of suppliers; absence of item company and shortage of customer influence (McConnell, 2009; Kakwezi and Nyeko, 2010). All these are challenges that have been experienced by historically disadvantaged persons.

It is worth noting that the Preferential Procurement in Kenya is not meeting its intended objectives just yet. The study by Kiptoo, Namusonge and Berut (2016) established that youth, women and PWD -owned enterprises are not effectively participating in public procurement set aside for their group despite the preferential procurement. M&E reports available at the Kenya National Treasury show a low presentation of the overall performance of the program. Preferential Procurement successfulness is measured by the extent to which the public can see a significant increased participation in Government procurement opportunities by the historically disadvantaged groups, joint labor ventures and partnerships, employment creation, linkages between small and large enterprises, skills transfer and training of the disadvantaged groups and promotion of local labour.

Integration of e-procurement components can enhance the participation of SIGS as well improve the future performance of organizations. The present day online procurement programming model is designed to exceptionally reduce strain and time expected to complete procurement transactions by annihilating the prevailing paper chain of installment compromise, orders, and endorsements as well as getting. The main advantages of e-procurement approaches enable clients to gain knowledge in a digital indicators, create and transfer an application to suppliers, create a requirement, course the request demand for approval, and also assist to digitalize the , tendering, invoicing and installment process. (Zeng and Berger, 2006). All these advantages can be diverted in improving the presentation of particular acquisition arrangement which adds to more noteworthy worth creation for specific vested parties and includes tangible (such as cost) factors and intangible factors (such as capacity utilization) and factors (Presutti 2003; Croom & Jones 2007).

## 2.4 Empirical review

### 2.4.1 Effects of E-Tendering on Performance of the Preferential Procurement

In Abdullahi and Bala, (2022) developed a system that is supported by internet/web to facilitates major phases of tendering procedures such as notifying supplies about tenders, submitting tenders electronically, evaluating, opening and awarding tenders. The system was tested, validated and conformed to have significant benefit in enhancing tendering systems from existing manual system of tendering that is currently being used in public procurement in Nigeria. Mehdipoor, Mehdipoorkaloorzi, Jordanova and Ghadim (2022) assessed the difficulties along with the advantages associated with implementing Electronic tendering or Electronic procurement in the Malaysian construction industry. Using Case study of infrastructure project in Johor, Malaysia, they revealed that E-Tendering is increasing the productivity and efficiency of public procurement process.

Sandanayake, Gunatilake and Waidyasekara (2022) using desktop approach viewed literature in assessing readiness in utilization of e-tendering systems from several countries and its related outcomes in Sri Lanka. The study found that e-tendering has been accepted due to its ability to enhance accountability, transparency, corruption reduction, cost reduction, reduce paperwork and time. The study also revealed that e-tendering process make evaluation of tenders submitted easier. However, they also showed challenges that face successful application of e-tendering process such as security and legal issues, low funding of ICT, lack knowledge and skills of using e-tendering process, resistance to change and non-identical software and formats.

### 2.4.2 Effects of E-Sourcing on Performance of the Preferential Procurement

E-sourcing helps firms to manage the full procurement life cycle by assessing asset expenditure, discovering cost-saving options, utilizing external market information, and negotiating, maintaining, and monitoring goods contracts. This procedure is mostly done online, with proposals, quotations, and bids from many vendors consolidated into

a unified system for easy comparison (Monai, 2022). E-sourcing is a complete solution that electronically breaks down each phase of the procurement process and increases efficiency. (Engelbrecht-Wiggans & Katok, 2016).

In Argetina Candela and Ulises (2022) looked at big manufacturing firms in Buenos Aires were performing and how it was affected by e-sourcing as aspect of eprocurement. The study sampled procurement managers and supervisors as unit of analysis from all manufacturing firm. Findings from regression analysis using SPSS identified a significant effect of e-sourcing on big manufacturing business performance in Buenos Aires.

In Rwanda, Jules (2022) established how implementation of e-sourcing affects the procurement in the public institutions using data collected from 96 employees, 21 suppliers and 24 service providers of three district hospitals in Southern Province suing Questionnaire, interview and documentation respectively. Using descriptive statistics and content analysis results showed that e-sourcing has been successfully implement in public institutions and was positively linked to management of procurement record, supplier relationship and operational performance of public institutions.

In a study by Hajir (2021) evaluated how e-sourcing is related with retail supermarkets operation performance in Nairobi City County. Data was gathered using questions distributed to 94 registered retail supermarkets and analyzed using regression analysis. Results indicated a strong association between operational performance and e-sourcing of the retail supermarket.

A research on Fundamentals of e-Sourcing in a "E" Environment was done by Lewis (2014). According to the report, e-sourcing can be utilized as a tool to speed up processes, save money on sourcing, and increase profits. Further research revealed that the first step in implementing e-sourcing is choosing an e-tool to enhance institutional capabilities. This is preceded, if practicable, by transformation leadership and employee and other participant development.

In Gauteng province, South Africa, Mafini, Dhurup, and Madzimure (2020) looked on the interaction between supply chain performance and e-sourcing among small firms. A cross-sectional survey approach was applied in data collection. Results from structural equation modeling was used to evaluate the data (SEM). To identify the causal connections between the variables in the study, confirmatory and multivariate approaches were used. According to the analysis, e-design and e-negotiation are significantly and favorably related to supplier integration. However, it was shown that e-sourcing, e-evaluation, and e-informing had a negligible effect on supplier relations.

#### **2.4.3 Effects of E-Informing on Performance of the Preferential Procurement**

Tiwari, Chan, Ahmad and Zaman (2019) did a study on benefits of applying and implementing e-informing in in Malaysian Manufacturing Firm. Employing descriptive research design and collecting data from 231 employees using questionnaire, their regression results revealed that E-sourcing implemented to a moderate extent but improved the supply chain performance to a large percentage.

In Kenya, Mwangi (2019) used Independent Electoral and Boundaries Commission (IEBC) as case study to study how performance of procurement performance is affected by adopting E-Sourcing And E-Informing. Data collected from 82 employees of IEBC (supply chain officer, procurement officer, and human personnel) was analyzed using multiple regression and showed that e-informing had a significant influence on procurement performance.

Similarly, in Kenya, Mwangi and Kagiri (2016) studied how performance of procurements in hospitality sector is impacted by implementation of e-informing on procurement performance in hospitality industry in Kenya. Their study sampled 68 employees in procurement/supply chains departments in Sarova chain of hotels. Data collected using questionnaire was analyzed using multiple regression models and revealed that E-informing were positively related to procurement performance.

A study carried out by Kioko and Mwangangi (2017) assessed how State Corporation in Kenya was performing with respect to implementation of e-sourcing in procurement

process using a sample of 187 heads of procurement in all parastatals. Multiple regressions were used to performance analysis of data collected using self-administered questionnaires. Results indicated a significant positive effect of e-informing on performance of Kenyan parastatals.

#### **2.4.4 Effects of E-Ordering on Performance of the Preferential Procurement**

E-ordering is one example, but E-procurement is much more usually considered of as a comprehensive strategy. EDI electronic ordering alternatives allow enterprises save money, increase efficiency, and enhance customer experience by trying to eliminate the necessity for documentation and time-consuming routine processes, which leads to enhanced procurement systems and performance of supply chain (Gupta and Narain, 2012). In his study, Mutangili (2019) significantly linked procurement efficiency with e-ordering. The study confirmed a direct and significantly association between performance of supply chain and e-ordering. In support, Hair, et al., (2019) suggested utilization of e-ordering toward sustaining procurement systems of firms.

According to a study conducted by Ahmad, Alhafari, and Venkatesh (2019), many big firms have implemented e-procurement, using various E-procurement approaches such e-ordering.

Gichuhi (2021) studied how performance of procurement process in Geothermal Development Company in Kenya is impacted by adoption and usage of e-ordering. The study sampled 97 staffs from target population of 170 staff in logistics and procurement departments in Geothermal Development Company in Nakuru

headquarters. Data gathered using structured questions under five point likert sacke was analyzed using regression statistics. Results revealed that procurement performance of GDC was significantly related with e-ordering. The link between einforming and performance of supply chain was assessed by Mogere (2021) in his study entitled “*E-procurement and Supply Chain Performance in the Sugar Factories in Kenya*” the study target population comprised of supply managers from 12 sugar manufacturing firms.

Findings from regression results revealed that performance of supply chain in the Sugar Factories was positively enhanced by successful implementation of e-ordering.

## 2.5 Research Gaps

From review of previous empirical studies, studies on link between e-procurement on supply chain performance, firm performance and procurement performance has been clearly documented. However, effect of e-procurement on performance of the preferential procurement in Kenya, has been scantily studied. For example e-tendering, Abdullahi, et al., (2022), Mehdipoor, et al., (2022) and Sandanayake, et al., (2022) indicated influence of E-Tendering on accountability, transparency, productivity and efficiency of public procurement process. However, they did not empirical link e-sourcing with performance of the preferential procurement in Kenya.

On e-sourcing, Candela and Ulises (2022) showed significant effect of e-sourcing on performance of large manufacturing firms in Buenos Aires, Argentina. Jules (2022) showed that e-sourcing has been successfully implemented in public institutions and was positively linked to management of procurement record, supplier relationship and operational performance of public institutions. Hajir (2021) indicated a strong association between e-sourcing and operational performance of the retail supermarket in Rwanda. Mafini, Dhurup, and Madzimure (2020) shown that e-sourcing had a negligible effect on supplier relations in Gauteng province, South Africa. Nevertheless, studies did not conclusively indicated effect of e-sourcing on performance of the preferential procurement in Kenya.

Review of literature on e-informing showed that e-sourcing improved the supply chain performance (Tiwari, Chan, Ahmad and Zaman, 2019). In Kenya, Mwangi (2019) showed that e-informing had a significant influence on procurement performance. Similarly, Mwangi and Kagiri (2016) revealed that E-informing was positively related to procurement performance while Kioko and Mwangangi (2017) established significant positive effect of e-informing on performance of Kenyan parastatals. However, there were limited studies that assessed e-informing in county government in Kenya and how it affects performance of the preferential procurement in Kenya.

From the foregoing, despite many studies being conducted in Kenya on effect of eprocurement and preferential procurement in Kenya, except for view studies there has been very limited studies that has linked e-procurement (e-informing, e-sourcing, einforming and e-ordering) with performance of the preferential procurement in Kenya especially Kwale County Government.

## CHAPTER THREE

### RESEARCH METHODOLOGY

#### 3.1 Introduction

In this chapter research methodology was discussed. It presents detailed research design, population, sample, data collection methods and procedures, data validity and reliability, data analysis and presentation, ethical considerations and limitations of the study.

#### 3.2 Research Methodology

Research methodology is a basic set of beliefs or a plan that guides research about a phenomenon from assumptions, approaches to methods of data collection, analysis and interpretation. The pragmatic worldview is renowned for its application of mixed research methods to create deeper understanding and dispassionate appreciation of the phenomena (Creswell & Creswell, 2018). Because the research variables was backed up by facts derived from the review of literature as well as the theoretical premises mentioned in chapter two, the study was follow a quantitative approach. Its findings were quantifiable, and they were clearly explaining the relationship between the variables (e-procurement and performance of the preferential procurement).

### 3.3 Research design

Research design is the conceptual blueprint for conducting research from collecting, measuring analyzing and interpreting data (Kothari, 2015; Cooper & Schindler, 2013).

It is a statement of essential element of a study and constitutes the blue-print for the collection, coding and analysis of data. An explanatory analysis design was used for this study. The explanatory research was utilized to demonstrate the causal-effect link, rather than just to describe the events under investigation (Gratton & Jones, 2010). Explanatory research, according to Cooper and Schindler (2008), focuses on 'why' inquiries. The study generated explanations to answer the "why" questions. Explanatory design has been employed in investigations to determine causal links. The rationales debated if the phenomena existed. Y (performance of the preferential procurement) is affected by variable X (e-procurement) as to show the extent of the effect.

### 3.4 Target Population

The group of objects, individuals, or events that share a common observable characteristic, which is relevant to a specific detail being investigated, is referred to as the target population (Cooper and Schindler, 2014). Target population was 66 employees from procurement, ICT and administration departments in Kwale County Government and 119 youth, women and people with disability participating in the county government procurement opportunities, giving a total population of 185 respondents. The study unit of analysis was Kwale County Government and unit of observation was employees in procurement, ICT and administration departments.

**Table 1 Target Population**

	<b>Target population</b>
Procurement Department	37
Administration Department	16
ICT Department	13
Youth, women and PWD	119
<b>Total</b>	<b>185</b>

Source (County Government of Kwale, 2023)

### 3.5 Sample Design and Sampling Techniques

The strategy of sampling contains utilizing part of a population to make deductions about the entire population (Zikmund *et al.*, 2010). The study was employ stratified sampling technique in selecting the respondents who was participating in the study.

There are 6 strata"s6 county governments under Kwale County Government. Stratified sampling technique was used to select the employee who was participate in the study within each stratum. Prior to use of random sampling, population of the study was stratified using stratified random sampling to ensure the sample accurately presents the targeted population. This was ensuring each stratum (department) has sample that is good representative of the population by using normal approximation to the hypergeometric distribution formulae. Slovin"s formula (2018) also developed by Yamane (1967), was used to calculate the sample size of 224.

$$n = \frac{N}{1 + N(e)^2}$$

$$n = \frac{185}{1 + 185(0.05)^2}$$

$$n = \frac{185}{1.46}$$

$$n = 127$$

Where;  $n$  = “is the required sample size”

$N$  = “is the population size (185)”

$Z$  = “is the level of confidence of the sample size (set at 95%) thus  $Z=1.96$ ”  $P$  and  $q$  are the “population proportions (Each set to 0.5)”.

$E$  - “Sets the accuracy of the sample proportions (set to 0.05)”.

Hence, 127 was the suitable sample size for the population of 185 employees. The number of firms that was participating in the study was selected proportionately based on the population in each strata using stratified sampling technique

**Table 2 Sample Size**

	Target population	Sample
Procurement Department	37	25
Administration Department	16	11
ICT Department	13	9
Youth, women and PWD	119	82
<b>Total</b>	<b>185</b>	<b>127</b>

Source: Researcher (2023)

### 3.6 Data Collection Instrument and Procedures

Cooper and Schindler (2011) describe instruments for collecting data as the methods and techniques being utilized in research for measuring variable. A five point liker structured questionnaire was employed in this study. The questionnaire was structured using study research questions and objectives. Questionnaires are popular tools in research surveys and are preferred because they are easy to administer, time saving and free from researcher bias since responses are from the respondent’s own expressions (Kothari, 2015 & Saunders, Lewis & Thornbill, 2015). Likert scales are advantageous in measuring perception, attitude, values and behavior since they contain objects that

are good in translating the qualitative responses into quantitative values (Upagade & Shende, 2013).

### **3.7 Pilot testing**

The questionnaires was piloted where 10 questionnaires which represent 10% of sample size was given to select 10 employees from Procurement or ICT or Finance in Lamu county government as suggested by Connelly (2008) that 10% of the project sample size should be used sampling the respondents for pilot study. The study choice of Lamu county government is because the counties have similar characteristics.

#### **3.7.1 Reliability of the Research Instruments**

Reliability is a metric of how well an instrument for data gathering produces reliable findings over time or in multiple testing (Zikmund et al., 2013). Cronbach's Alpha coefficient was used to determine if the data gathered is consistent and therefore the conclusions are credible. Cronbach Alpha assesses how effectively a series of questions or parameters reflects a throughout every construct validity that is a dependability or uniformity coefficient. Reliability is given as a coefficient ranging from 0 to 1.00. The greater the coefficient, the more the trustworthy the test. A Cronbach Alpha of 0.7 or above is deemed appropriate (Cronbach Alpha, 1951).

#### **3.7.2 Validity of the Research Instruments**

According to Zikmund et al. (2010), validity reveals how much tools measure what they ought to evaluate. As an accuracy of measurement, it measures the accuracy of the research instrument. It is regarded as utility (Kothari, 2015; Nachmias & Nachmias, 2014). Various classifications of validity are used to test the fitness of measures but a globally acknowledged classification consist four main forms: criterion, face content, construct and. Validity deals with trustworthiness, lawfulness and germane of research (Creswell & Creswell, 2018). Face validity was attained when the questionnaire is critiqued by supervisors and experts and necessary adjustments were made. This study

was use content validity to check if the items fully measured what they are intended to measure, that is, if a test is representative of all relevant parts of the subjects it aimed to cover.

### 3.8 Data Analysis and Presentation

Data collected for purposes of this study was edited and coded using excel datasheet before being input to SPSS statistical software. Data analysis, according to Kothari (2004), comprises calculating particular measurements as well as looking for any patterns and trends of relationships that might exist among various sets of the group of data. According to Mugenda & Mugenda (2013) data preparation by cleaning and coding is essential in ensuring that all the requisite data is gathered and considered in making the anticipated comparison and analysis of variables. Descriptive statistics was used as a guide in identifying the correct functional form of the model to be analyzed.

A correlational matrix was made in order to analyze any multicollinearity problem between two or more variables (Okwonu, Asaju & Annaye, 2020). Pearson product moment correlation coefficient lies between -1 and +1. Multiple regressions were performed. It is a modification of simple regression analysis that enables the prediction of measurable predictor variables by a range of independent variables. Given the presence of multiple independent parameters in the analyses and that the significance of the correlations between the variables was determined by confirming the research questions multiple linear regressions was carried out in the study (Zikmund, Babin, Carr & Griffin, 2013). The main objective of the study was to establish the influence of e-procurement on performance of preferential policy in Kwale County Government.

The regression model is represented below:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$$

Where,

$Y$  = Performance of preferential procurement

$\beta_0$  = Constant

$X_1$  = E-tendering

$X_2$  = E-sourcing

$X_3$  = E-informing

$X_4$  = E-ordering

### 3.10 Ethical Considerations

The study was adhere to academic integrity and ethics by guaranteeing that no participants was suffer or have their rights infringed. Additionally, the confidentiality of respondents was ensured throughout the development, administration, and data gathering processes. By telling participants not to provide their names on the consent letter and promising them that their information won't be disclosed to any third party, the study would ensure participant confidentiality and anonymity. Neither the questionnaire nor the interviews was need to have names on them when data is collected. Furthermore, when the responders was have agreed that the information they submit was only be utilized for academic work. They was given an explanation of the study's objectives in a language they can easily grasp.

## CHAPTER FOUR

### RESEARCH FINDINGS AND DISCUSSION

#### 4.1 Introduction

This section highlights and presents the findings of the study. Discussion of the findings based on the objectives of the study was carried out in this section too. In addition, the causal effect was tested.

#### 4.2 Response rate

In this study, of the 127 questionnaires that were distributed to the respondents, 98 (representing 77.17%) were returned. Relatedly, Sekaran and Bougie (2010) argue that even a response rate of 30% is acceptable for surveys. Given that this study obtained a higher response rate of 77.17%, was deemed sufficient.

#### 4.3 Reliability Tests

The study used Cronbach alpha in examining the variables for reliability; based on Leech et al., (2014) suggestion Cronbach alpha coefficient value over 0.90 is deemed outstanding, Cronbach alpha coefficient value of 0.80 were considered very good, and values around 0.70 were considered adequate. The rule of thumb is that a pilot test should account for up to 10% of the sample (Creswell, 2014).

From findings in table 3, e-tendering had the highest Cronbach alpha value of 0.945 while e-informing had the lowest value of 0.747. Other variables (Performance of the Preferential Procurement in Kwale county, E-sourcing and E-ordering) had Cronbach alpha values of 0.911, 0.861 and 0.821 respectively. All average inter-item correlation values higher than 0.70 were therefore taken into account in this investigation. This choice is in line with earlier research by Rovai et al. (2013), Sekeran, and Bougie (2010),

as well as other academics who contend that a reliability criterion of 0.7 is appropriate. The results of this investigation supported the validity of the research tool and the suitability of the data that had been gathered for further examination. Table 3 below shows the findings. Therefore, all items were included in the survey instrument. Report findings are shown in Table 3 below.

**Table 3 Reliability Analysis**

	No of Respondents	Cronbach's Alpha	Remarks
Performance of the Preferential Procurement in Kwale county	13	0.911	Adequate
E-Sourcing	13	0.861	Adequate
E-Tendering	13	0.945	Adequate
E-Ordering	13	0.821	Adequate
E-Informing	13	0.747	Adequate

### 4.3 General Information

Background data or characteristics are crucial in giving researchers key information about the research topic. By citing previous literature, they assist in identifying and describing the historical context and character of a clearly stated research problem. This knowledge can help to clarify the direction of the interaction between the main components under investigation. Thus, the study sought to establish the general information which included county's implementation and adherence to the preferential procurement.

#### 4.3.1 County Adherence Preferential Procurement

The respondents were requested to indicate the extent to which the counties adhere to preferential procurement. The findings as presented in table 4 revealed that Kwale County adhere to preferential procurement as minority of the respondents responded with:-

Very Low Extent at only 1.8%, followed by Low Extent with 23.2%, Fairly Moderate Extent with 21.4%, Moderate Extent with 21.418.8% and a majority of the respondents responded with High Extent with 34.8%.

**Table 4 County Adherence Preferential Procurement**

	Frequency	Percent
HE	39	34.8
ME	21	18.8
FME	24	21.4
LE	26	23.2
VLE	2	1.8
<b>Total</b>	<b>112</b>	<b>100</b>

#### 4.4 Importance of e procurement to AGPO

The findings presented in table 5 showed that respondents who responded yes constituted of 68.4% while those who responded with no were 31.6%. This significant number shows how respondents perceive e-procurement as a crucial element to steer the levels of participants to a higher level .

**Table 5 Importance of e procurement to AGPO**

	Frequency	Percent
Yes	77	68.4
No	35	31.6
<b>Total</b>	<b>112</b>	<b>100</b>

#### 4.5 Descriptive Statistics for E-Tendering

The study's first goal was determine how e-tendering affected preferential procurement performance in county government of Kwale. Therefore, the study assessed e-tendering practiced in the county. A 5-point Likert scale, with 1 representing "strongly disagree" and 5 representing "strongly agree," was used to rate the replies. With a mean score

ranging from 0 to 2.5, statements categorized as "strongly disagree" and "disagree" were regarded as not being agreed upon. 'Neutral' statements had a mean score between 2.6 and 3.4 and were classified as neither agreed with nor disagreed with. Statements having a mean score between 3.5 and 5 and a response of "agree" or "strongly agree" were taken to be accepted. The findings are as presented in Table 6.

**Table 6 Descriptive Statistics for E-Tendering**

		SD	D	N	A	SA	Mean	Std. Deviation
The county has electronic system that informs young people, people with disabilities, and other underrepresented categories of suppliers about tender opportunities.	%	1.8	9.8	16.1	27.7	44.6	4.04	1.08
The county government sends tender specification electronically	%	8.9	18.8	55.4	17	0	2.80	0.83
The county has web portals allow suppliers to submit their bids electronically.	%	0	15.2	35.7	42	7.1	4.13	0.92
The county communicates price information electronically with the suppliers taking part in the tender.	%	1.8	0.9	25	58.9	13.4	3.81	0.74
We publish tender materials electronically for simple download.	%	1.8	0.9	25	41.1	31.3	3.99	0.88
Supplier replies to the tender are sent to us electronically.	%	1.8	27.7	27.7	32.1	10.7	2.73	1.04
<b>Average</b>							<b>3.380</b>	<b>0.748</b>

Results from table 4.4 shows that county government of Kwale County has a web portals that allow suppliers to submit their bids electronically (Mean = 4.13, SD = 0.920) and has electronic system that informs young people, people with disabilities, and other underrepresented categories of suppliers about tender opportunities (Mean = 4.04, SD = 1.08). The county also communicates price information electronically with the suppliers taking part in the tender (Mean = 3.81, SD = 0.74) and publishes tender materials electronically for simple download (Mean = 3.99, SD = 0.88). However, Kwale county government does not have system that can send tender specification electronically (Mean = 2.80, SD = 0.83) or receive supplier replies electronically.

In general, the overall mean of 3.380 indicates that, on average, the implementation of e-tendering is moderately satisfactory. This means that the county government has made some progress in adopting e-tendering processes but still has room for improvement. The standard deviation of 0.748 reflects the variability or dispersion of the data points around the mean. In this case, the relatively low standard deviation suggests that the responses or ratings regarding e-tendering implementation were not highly varied among the participants. This implies that there is a general consensus among the respondents that the level of implementation is moderate.

#### **4.6 Descriptive Statistics for E-sourcing**

The second goal of the study was to investigate how e-tendering process of county government of Kwale was as presented in Table 7.

**Table 7 Descriptive Statistics for E-sourcing**

		SD	D	N	A	SA	Mean	Std. Deviation
The county employs modern technology to source suppliers in category of women, youth, and supplier from PWD.	%	2.7	4.5	2.7	58	32.1	4.13	0.871
The county uses modern technologies to electronically communicate with young, female, or disabled suppliers.	%	2.7	12.5	55.4	29.5	0	4.09	0.812
The county has electronic system that categorize supplier according to the service or product offered.	%	2.7	0.9	13.4	25.9	57.1	4.34	0.935
The county electronically assesses the capability of suppliers that are women, young, or have disabilities.	%	0	11.6	23.2	39.3	25.9	3.79	0.960
The county has modern technologies that locate suppliers.	%	1.8	55.4	39.3	1.8	1.8	2.49	0.753
The county has effective technology that electronically search for new supplier for a particularly service or product	%	4.5	3.6	30.4	38.4	23.2	3.72	1.006
<b>Average</b>							<b>3.367</b>	<b>0.812</b>

Findings from table 7 showed that Kwale county government employs modern technology to source suppliers in category of women, youth, and supplier from PWD (Mean = 4.13, SD=0.871), to electronically communicate with young, female, or disabled suppliers (Mean = 4.09, SD=0.812) and has electronic system that categorize supplier according to the service or product offered (Mean = 4.34, SD=0.935). The county also electronically assesses the capability of suppliers that are women, young, or have disabilities (Mean = 3.79, SD=0.960) and electronically search for new supplier for a particularly service or product (Mean= 3.72, SD=1.06). However, Kwale county government has no modern technologies that can locate suppliers (Mean = 2.49, SD=.960).

In general, the overall mean of 3.367 and standard deviation of 0.812 shows that county government of Kwale is moderately practicing E-sourcing which can improve access to county procurement opportunities by youth, women and PWD suppliers.

Additionally, the standard deviation of 0.812 suggests that there is some variability in the level of E-sourcing implementation among different departments or aspects within the county government. This variability indicates that while some departments might be more advanced in their E-sourcing practices, others might still have room for improvement. It also implies that there is potential for further development and expansion of E-sourcing initiatives across the entire county government.

The statement also highlights the potential benefits of E-sourcing, specifically in relation to improving access to procurement opportunities for marginalized groups such as youth, women, and PWD suppliers. E-sourcing can help create a more transparent and inclusive procurement environment by reducing barriers to entry, increasing competition, and providing equal access to information and bidding processes (Afolabi et al., 2022). By leveraging electronic platforms, the county government of Kwale can facilitate broader participation of youth, women, and PWD suppliers in county procurement, thereby promoting economic empowerment and diversity within the local business community.

#### 4.7 Descriptive Statistics for E-informing

The third objective of the study was of preferential procurement in devolved system of government in Kenya is influenced by e-informing. Thus, it was important to describe e-informing process in the county government of Kwale. The findings were as presented in Table 8.

**Table 8 Descriptive Statistics for E-informing**

		<u>SD</u>	<u>D</u>	<u>N</u>	<u>A</u>	<u>SA</u>	<u>Mean</u>	<u>Std. Deviation</u>
The county has an electronic system that gathers data about experiences of supplier.	%	0	4.5	40.2	30.4	25	3.76	0.883
The county compiles data on former customers of suppliers electronically.	%	1.8	19.6	40.2	38.4	0	3.13	0.854
To evaluate the caliber of goods or services offered by suppliers, the county electronically looks for references.	%	1.8	21.4	19.6	50.9	6.3	3.24	0.896
The county communicates with pertinent suppliers electronically.	%	1.8	2.7	28.6	40.2	26.8	3.88	0.902
Online, the county electronically distributes pricing and other pertinent data.	%	2.7	0	47.3	20.5	29.5	3.86	0.769
<b>Average</b>							<b>3.174</b>	<b>0.812</b>

Descriptive statistics in table 8 revealed that the county government of Kwale has an electronic system that gathers data about experiences of supplier (Mean = 3.76, SD = 0.883), communicates with pertinent suppliers electronically (Mean = 3.88, SD = 0.902), and electronically distributes pricing and other pertinent data (Mean = 3.86, SD = 0.769). Nevertheless, many aspects of electronic informing were moderately implemented in Kwale county government such as compiling data on former customers of suppliers electronically and evaluating the caliber of goods or services offered by suppliers, the county electronically looks for references.

In general, e-informing practices had overall mean of 3.174 and standard deviation of 0.812 indicating that e-informing was implemented at low extent in county government of Kwale. The overall mean of 3.174 suggests that, on average, the implementation of e-informing practices is relatively low. This means that the county government has not fully embraced or integrated electronic information dissemination methods into its operations. The standard deviation of 0.812 reflects the variability or dispersion of the data points around the mean. In this case, the relatively high standard deviation suggests that the responses or ratings regarding e-informing implementation were quite varied among the participants. This indicates that there may be differing opinions or experiences among respondents regarding the extent of e-informing practices in the county government. E-informing refers to the use of electronic platforms and technologies to share information with stakeholders. It can include methods such as email notifications, online portals, and digital communication channels to disseminate important information to citizens, businesses, and other relevant parties (Haryono, 2022).

A low extent of e-informing implementation implies that the county government of Kwale may be lacking in utilizing electronic methods to effectively communicate and share information. This could have implications for transparency, accessibility, and efficiency in governance processes. In conclusion, the findings suggest that the implementation of e-informing practices in the county government of Kwale is currently at a low extent. Addressing this gap by investing in electronic information dissemination methods can lead to more effective communication and governance processes.

#### 4.8 Descriptive Statistics for E-ordering

The study's fourth goal was to investigate how e-ordering affected the efficiency of preferential procurement in Kenya's devolved structure of government. The results are shown in Table 9.

**Table 9 E-ordering**

		SD	D	N	A	SA	Mean	Std. Deviation
The county utilizes electronic methods for procuring our products and services.	40.0%	2.7	3.0	39.0	0.9	2.96	0.953	
The county electronically place orders for goods and services we need.	46.7%	17.4	4.8	46.7	1.8	2.44	0.758	
The county electronically request receipts for payment of the goods and services we receive.	65.3%	8.9	5.7	54.0	35.0	3.94	0.688	
The county handles suppliers' invoices electronically through our processing system.	80.0%	0.4	0.7	55.0	35.0	4.11	1.043	
The county electronically initiates payments to our suppliers.	17.8%	17.9	17.9	25.0	32.0	3.48	1.446	
The county Electronic approvals are conducted for purchase requests.	71.3%	3.5	5.8	14.0	29.0	30.0	3.51	1.259

---

**Average****3.541****0.856**

---

The findings in Table 9 suggest that e-ordering, the process of electronically handling suppliers' invoices and requesting receipts for payment, has been moderately implemented in the county government of Kwale. The overall mean score of 3.541 indicates an average level of implementation, while the standard deviation of 0.856 suggests a moderate level of variation in responses. Among the different aspects of e-ordering, electronically processing suppliers' invoices scored the highest mean of 4.11. This indicates that the county government has been relatively successful in implementing electronic systems for handling suppliers' invoices, potentially leading to increased efficiency and accuracy in invoice processing.

The second highest mean score of 3.94 (SD = 0.688) was obtained for electronically requesting receipts for payment of goods and services received. This suggests that the county government has also made significant progress in implementing electronic methods for requesting and processing payment receipts, indicating a move towards a more streamlined and automated payment system. On the other hand, the findings reveal lower levels of implementation in certain areas. Electronic approvals for purchase requests obtained a mean score of 3.51 (SD = 1.259), indicating a moderate level of implementation but with a higher degree of variation among responses. This suggests that while electronic approvals for purchase requests are being utilized to some extent, there might be room for improvement in terms of consistency and standardization.

Furthermore, the county government shows low utilization of electronic methods for procuring products and services, as indicated by a mean score of 2.96 (SD = 0.953). This suggests that there is limited adoption of electronic procurement methods, potentially leading to inefficiencies and slower processing times in acquiring necessary goods and services. Similarly, electronically placing orders for goods and services had the lowest mean score of 2.44 (SD = 0.758). This indicates that the county government faces significant challenges in implementing electronic systems for placing orders, potentially resulting in manual and time-consuming processes.

#### 4.9 Descriptive Statistics for Preferential Procurement Performance

The study further sought to determine performance of preferential procurement in the devolved system of government in Kenya. The findings in Table 10 describe several aspects related to the county's efforts in promoting the participation of marginalized groups, such as persons with disabilities (PWD), women, and youth, in government procurement opportunities.

**Table 10 Preferential Procurement Performance**

		SD	D	N	A	SA	Mean	Std. Deviation
The county has increased the proportion of PWD, women and youth suppliers participating in government procurement opportunities.	%	3.6	6.1	38.4	42.0	0.0	3.89	0.833
The county has successfully put into place a preferential procurement system.	%	27.7	43.8	28.6	0.0	0.0	2.01	0.753
The county support Marginalized groups in their performance of tenders they are awarded.	%	14.3	7.1	18.8	25.0	34.8	3.59	1.399
The number of bids chosen for the special group category is in line with the county's suggested 30% of the overall procurement budget.	%	5.4	14.3	29.5	24.1	26.8	3.53	1.185
The county ensures that PWD, women and youth are aware of the available procurement								

opportunities in the county The	%	0.0	42.9	28.6	25.9	2.7	2.78	0.867
county has increase								
prequalification of PWD,								
women and youth suppliers.	%	1.8	21.4	38.4	38.4	0.0	3.82	0.867
<b>Average</b>							<b>3.4152</b>	<b>0.865</b>

On performance of preferential procurement in Kwale county, findings in table 4.8 showed a The mean score of 3.89 suggests that, on average, respondents perceive that the county has made progress in increasing the proportion of PWD, women, and youth suppliers participating in government procurement opportunities. The standard deviation of 0.833 indicates some variation in responses, but overall, the perception is positive. The mean score of 3.59 indicates that, on average, the county provides some level of support to marginalized groups in their performance of tenders they are awarded.

However, the higher standard deviation of 1.399 suggests greater variability in responses, implying that some respondents may have perceived inadequate support while others may have experienced better assistance. The finding states that the number of bids chosen for the special group category aligns with the county's suggested 30% of the overall procurement budget. With a mean score of 3.53 and a standard deviation of 1.185, it suggests that, on average, the county is relatively successful in meeting this budget allocation. However, the higher standard deviation indicates some variability, implying that there may be room for improvement in ensuring consistent adherence to the budget allocation. The mean score of 3.82 suggests that, on average, the county has slightly increased the prequalification of PWD, women, and youth suppliers. The standard deviation of 0.867 indicates some variation in responses, but overall, the perception is positive.

Overall, the findings in Table 10 indicate that the county has made progress in increasing the proportion of marginalized groups participating in government procurement opportunities and prequalifying PWD, women, and youth suppliers. However, there is room for improvement in supporting marginalized groups in their tender performance, ensuring awareness of available

procurement opportunities, and establishing a preferential procurement system. The overall mean score of 3.415 and standard deviation of 0.867 suggest a moderate level of satisfaction with the county's efforts to promote the inclusion of marginalized groups in government procurement.

Performance of preferential procurement was averagely being practiced in Kwale County

#### 4.11 Relationship between E-Procurement and Performance of Preferential Procurement.

To evaluate the significance, strength, and direction of the association between various pairs of variables, Pearson Product Moment correlation analysis was used. The goal of this analysis was to determine how much the independent variable, e-procurement, would influence the dependent variable, the performance of preferential procurement. Along with their association with the dependent variable, the independent variables themselves were also compared in the analysis.

Table 11 Summary of Pearson's Correlations

		PPP	E-	E-	E-	E-
		performance	Sourcing	Tendering	Ordering	Informing
PPP						
performance	Pearson Correlation	1				
	Sig. (2-tailed)	1				
E-Sourcing	Pearson Correlation	.731**	1			
	Sig. (2-tailed)	0.000				
E-Tendering	Pearson Correlation	.697**	.615**	1		
	Sig. (2-tailed)	0.000	0.000			
E-Ordering	Pearson Correlation	.716**	.752**	.588**	1	

	Sig. (2-tailed)	0.000	0.000	0.000	
E-Informing	Pearson Correlation	.621**	.604**	.590**	.475**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000

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

The findings show a favorable association between the effectiveness of preferential procurement and each of the independent variables. Particularly, the results showed a significant and favorable link ( $r = 0.765$ ,  $p = 0.00$ ) between e-sourcing and the performance of preferential procurement. At a 5% level of confidence, this connection was statistically significant ( $p = 0.00$ ,  $p 0.01$ ).

Similar to this, the study found a favorable correlation ( $r = 0.705$ ,  $p = 0.00$ ) between the performance of preferential procurement and e-tendering. At a 5% confidence level, this connection was similarly statistically significant ( $p = 0.00$ ,  $p 0.01$ ). Additionally, e-ordering and the effectiveness of electronic procurement were shown to be positively correlated ( $r = 0.695$ ,  $p = 0.000$ ). At a 5% level of confidence, this link was also discovered to be statistically significant ( $p = 0.000$ ,  $p 0.01$ ). Finally, a marginally favorable association between e-informing and the performance of preferential procurement was found ( $r = 0.688$ ,  $p = 0.000$ ). At a 5% level of confidence, this connection was statistically significant ( $p = 0.000$ ,  $p 0.01$ ).

#### 4.12 Effect of E-Procurement Adoption on Performance of Preferential Procurement in Kwale County government

The purpose of conducting regression analysis was to establish a framework that illustrates the relationship between the independent variable, which comprises eprocurement components, and the dependent variable, which pertains to the performance of preferential procurement. The regression analysis aimed to determine the extent to which the dependent variable, specifically the performance of preferential procurement, can be predicted based on the independent variables, including etendering, e-sourcing, e-informing and e-ordering.

#### 4.12.1 Model Summary

The outcomes of a multiple regression analysis are presented in Table 12 model summary.

**Table 12 Model of Goodness Fit**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.827a	0.683	0.671	0.470

a Predictors: (Constant), E-informing, E-Ordering, E-Tendering, E-Sourcing

It shows that 68.3 percent of the variation in the effectiveness of preferential procurement was accounted for by the four e-procurement criteria (e-sourcing, etendering, e-ordering, and e-informing). The coefficient of determination (R squared = 0.68) shows how much the performance variability of preferential procurement is explained by these e-procurement characteristics.

Based on the ANOVA results you provided, the significance value (p-value) was found to be 0.000, which is less than the significance level of 0.05. This indicates that there is a statistically significant relationship between e-sourcing, e-tendering, e-ordering, e-informing, and the performance of preferential procurement in the devolved system of government in Kenya.

The F critical value at the 5% level of significance was 0.000. Since the calculated F value from the ANOVA table was 57.688, which is greater than the critical value, it further supports the conclusion that the overall model is significant. In other words, the combined effects of e-sourcing, e-informing, e-ordering and e-tendering, have a significant impact on performance of preferential procurement. Therefore, based on

these findings, the model is considered fit and appropriate for predicting the effects of e-procurement practices on performance of preferential procurement in Kwale county government. The ANOVA results were as presented in table 13.

**Table 13 Analysis of Variance (ANOVA)**

	Sum of Squares	df	Mean Square	F	Sig.
Regression	51.072	4	12.768	57.688	.000b
Residual	23.682	107	0.221		
Total	74.754	111			

a Dependent Variable: PPP performance b Predictors: (Constant), E- Informing, E-Ordering, E-Tendering, E-Sourcing

#### 4.14 Coefficients of Estimate

A stepwise regression model which regulated how each of the variables pretentious the e-procurement on performance of preferential procurement is displayed in table 14. All unstandardized beta coefficients were noteworthy, representing a positive influence of all the independent variables to the dependent variable.

**Table 14 Coefficients of Estimate**

	Unstandardized				
	Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	0.305	0.228		1.334	0.185
E-Tendering	0.303	0.083	0.276	3.637	0.000

E-Sourcing	0.236	0.094	0.234	2.521	0.013
E-Informing	0.179	0.074	0.177	2.43	0.017
E-Ordering	0.281	0.082	0.294	3.444	0.001

a Dependent Variable: PPP performance

Findings from table 14 showed finding that e-tendering had a coefficient of 0.303 and a p-value of 0.000 (less than the 0.05 level of significance) suggests that e-tendering significantly and positively affects the performance of preferential procurement in Kwale County. The coefficient of 0.303 indicates the direction and magnitude of the relationship between e-tendering and performance. In this case, a one-unit increase in e-tendering is associated with a 0.303 unit increase in the performance of preferential procurement. This positive coefficient suggests that as e-tendering activities increase, the performance of preferential procurement in Kwale County tends to improve.

The findings align with previous research conducted by Abdullahi and Bala (2022), which indicates that e-tendering, plays a crucial role in various stages of tendering procedures, including tender notification, electronic submission, evaluation, opening, and awarding of tenders in the context of public procurement in Nigeria. Furthermore, it supports the conclusions drawn by Mehdipoor et al. (2022), who found that the adoption of e-tendering in the public procurement process of the Malaysian construction industry resulted in improved productivity and efficiency. Similarly, Sandanayake, et al., (2022) linked e-tendering systems of Sri Lanka public procurement process with accountability, transparency, corruption reduction, cost reduction, reduce paperwork and time.

As reported in Table 14 e-sourcing had coefficient of 0.234 and p value of .0.013 which was less than 0.05 level of significance indicating that e-sourcing had positive and significant influence on the performance of preferential procurement in Kwale County. Therefore, an increase in one unit of e-sourcing there is 0.234 unit increase of the performance of preferential procurement in Kwale County. Monai (2022) provides supporting evidence for the findings, stating that e-sourcing enables organizations to

effectively handle the entire procurement life cycle. This includes activities such as evaluating asset expenses, exploring cost-saving alternatives, leveraging external market information, negotiating and maintaining contracts for goods, and monitoring them. By consolidating suppliers into a unified system, e-sourcing facilitates easy comparison and enhances procurement management.

Similarly, Engelbrecht-Wiggans and Katok (2016) propose that e-sourcing serves as a comprehensive solution that digitally streamlines each stage of the procurement process, ultimately improving overall efficiency. The findings align with various studies conducted by Candela and Ulises (2022) in Argentina, Jules (2022) in Rwanda, and Hajir (2021) in Kenya. Candela and Ulises discovered that e-sourcing improves the performance of manufacturing businesses in Buenos Aires. Jules found that esourcing enhances the management of procurement records, supplier relationships, and operational performance in public institutions in Rwanda. Hajir's study revealed that esourcing improves the operational performance of retail supermarkets in Kenya.

However, these findings contrast with the study conducted by Mafini et al. (2020) in Gauteng province, South Africa. Mafini et al. found that e-sourcing had a negligible effect on supplier relations in the region. The findings agree with Johnson, (2014) that e-sourcing solutions create value by lowering spend costs, streamlining processes and enabling new business development. In the same way Felines (2014) highlighted that e-sourcing goes beyond determining an online site for vendors and buyers to connect. Further it rationalizes workflows, improves flexibility and steers transparency in the buyer vendor affiliation. Further, Dooley, (2016) gives an elucidation of e-sourcing as e-business site for conducting international promotion of commodities and services and reinventing the approach taken by firms in managing their supply chains. Whether via an online auction, virtual buying community or e-catalogue, e-sourcing is advancing as one of the fastest and seamless ways for firms to enhance performance of preferential procurement since it minimizes biasness against antecedently marginalized groups therefore optimize the performance of preferential procurement.

Findings showed that e-informing had coefficients of estimate which was significant basing on  $\beta = 0.177$  (p-value = 0.017 which is less than  $\alpha = 0.05$ ) suggesting that E-informing significantly enhances the performance of preferential procurement in Kwale county. This suggests that there is up to 0.177 unit increase in preferential procurement performance for each unit increase in e-informing. The results are similar with Tiwari, et al., (2019) findings in Malaysian Manufacturing Firm that E-sourcing implemented to a moderate extent but improved the supply chain performance to a large percentage. Also, In Kenya, Mwangi (2019), Mwangi and Kagiri (2016) and Kioko and Mwangangi (2017) found similar results that e-informing had a significant influence on procurement performance and revealed that E-informing were positively related to procurement performance and performance of Kenyan parastatals.

Finally, E-ordering had coefficients of estimate which was significant basing on  $\beta = 0.294$  (p-value = 0.001 which is less than  $\alpha = 0.05$ ) suggesting that E-ordering significantly enhances the performance of preferential procurement in Kwale county. This suggests that there is up to 0.294 unit increase in preferential procurement performance for each unit increase in e-ordering. The findings of the current study align with the research conducted by Mutangili (2019), which showed that e-ordering has a significant positive impact on procurement efficiency. Similarly, Hair et al. (2019) recommended the utilization of e-ordering to sustain the procurement systems of firms. Supporting these findings, Ahmad, Aljafari, and Venkatesh (2019) conducted a study that revealed the widespread adoption of e-procurement, including e-ordering, among large firms. Additionally, Gichuhi (2021) found a significant relationship between e-ordering and the procurement performance of the GDC (Global Development Company). Furthermore, Mogere (2021) found that successful implementation of e-ordering positively enhanced the performance of the supply chain in sugar factories.

The correlation matrix coefficients were used to derive a prediction model for the effects of e-procurement on performance of preferential procurement in Kwale County Government. Thus, the correlation coefficients derived from the matrix have been used to come up with a standard prediction model.

The following equation was derived from the regression coefficients in the matrix.

$$Y = 0.305 + 0.303X_1 + 0.236X_2 + 0.179X_3 + 0.281X_4$$



## CHAPTER FIVE

### SUMMARY OF FINDINGS, CONCLUSION, AND RECOMMENDATIONS

#### 5.1 Introduction

The study main objective of the study was to determine effect of electronic procurement practices on performance of preferential procurement in Kwale County Government. In order to achieve the goal of the study, the study used regression analysis to specifically determine effect of e-tendering practice on the performance of preferential procurement in Kwale County Government, establish the effect of esourcing practice on performance of preferential procurement in Kwale County Government, establish the effect of e-informing practice on performance of preferential procurement in Kwale County Government and determine the effect of eordering practice on performance of preferential procurement in Kwale County Government. This chapter presents the summary of the findings, conclusions derived from these findings, implications for theory and practice, and recommendations for future research.

#### 5.2 Summary of the Findings

Findings from descriptive statistics showed that indicate that the county government has a web portal for electronic bid submissions and electronic system for informing underrepresented suppliers about tender opportunities. Additionally, the county price information is communicated electronically to participating suppliers, and tender materials are published electronically for easy download. However, the county government lacks a system for electronically sending tender specifications and receiving supplier replies electronically. This indicates that the county government has made some progress in adopting e-tendering processes, but there is still room for improvement. Correlation results showed a stronger significant relationship between e-tendering practice and performance of preferential procurement in Kwale County Government. Regression results confirmed this by indicating a significant and positive effect of e-tendering practice on the performance of preferential procurement in Kwale County Government.

The descriptive findings indicate that the Kwale County Government employs modern technology in various aspects of sourcing and supplier management. This includes using technology to source suppliers in categories such as women, youth, and people with disabilities. The government also utilizes electronic communication to engage with suppliers from these categories. Additionally, there is an electronic system in place to categorize suppliers based on the products or services they offer. However, the government lacks modern technologies that can efficiently locate suppliers. Kwale County Government is moderately practicing e-sourcing. This practice has the potential to improve access to procurement opportunities for youth, women, and suppliers with disabilities. The correlation analysis indicates a significant relationship between e-sourcing and the performance of preferential procurement in the Kwale County Government. Furthermore, the regression analysis confirms a significant and positive effect of e-sourcing on the performance of preferential procurement.

The descriptive statistics indicate that the county government of Kwale has implemented an electronic system for gathering data about supplier experiences, communicating with suppliers electronically, and distributing pricing and other relevant information electronically. However, certain aspects of electronic informing, such as compiling data on former customers and evaluating the quality of goods or services offered by suppliers, were only moderately implemented. The government has not fully embraced or integrated electronic information dissemination methods into its operations. Correlation analysis revealed a positive and significant correlation between e-informing and the performance of preferential procurement in the Kwale County Government. Furthermore, the regression results indicate a positive effect of e-informing on the performance of preferential procurement in the Kwale County Government. This implies that a higher level of e-informing implementation can contribute to enhanced preferential procurement performance.

The descriptive findings indicate that e-ordering, the electronic handling of suppliers' invoices and requesting receipts for payment, has been moderately implemented in the county government of Kwale. The highest mean score was obtained for electronically processing suppliers' invoices, indicating relative success in implementing electronic

systems for invoice handling. This implementation can lead to increased efficiency and accuracy in invoice processing. The second highest mean score was for electronically requesting receipts for payment, indicating significant progress in implementing electronic methods for payment processing. Lower levels of implementation were observed for electronic approvals for purchase requests and electronic procurement methods, suggesting room for improvement in consistency and standardization. The findings also indicate challenges in implementing electronic systems for placing orders, potentially resulting in manual and time-consuming processes. Additionally, there is a positive correlation between e-ordering and the effectiveness of electronic procurement, highlighting the enhancement of preferential procurement performance in Kwale County.

### 5.3 Conclusion

Findings showed that e-tendering improves performance of preferential procurement in Kwale County Government. However, while the county government of Kwale has made strides in implementing e-tendering, particularly in terms of bid submissions, informing suppliers, and publishing tender materials electronically, there are areas such as sending tender specifications electronically that require attention for further improvement. This indicates that the county government has made some progress in adopting e-tendering processes, but there is still room for improvement.

E-sourcing can contribute to improved preferential procurement performance. E-sourcing plays a crucial role in enhancing preferential procurement performance by increasing efficiency, expanding supplier options, promoting transparency and data-driven decision-making, fostering collaboration, enabling cost savings, and supporting compliance and risk management efforts. However, there is a need for the government to invest in modern technologies that can efficiently locate suppliers, as this aspect is currently lacking.

Based on the findings, it can be concluded that e-informing practices, which involve the use of electronic systems for gathering supplier data, communicating with suppliers, and distributing pertinent information, have a positive impact on preferential

procurement performance. The study revealed that the county government of Kwale has implemented some aspects of e-informing, but the overall extent of implementation was relatively low. However, there was a significant correlation between e-informing and preferential procurement performance, indicating that increasing the implementation of e-informing practices can lead to improved outcomes in preferential procurement.

In conclusion, the findings of the study demonstrate that e-ordering, including electronically processing suppliers' invoices, electronically requesting receipts for payment, and electronic approvals for purchase requests, along with electronic procurement methods, significantly enhance the performance of preferential procurement in the Kwale County Government..

#### **5.4 Recommendations**

Based on the findings that e-tendering has a positive impact on the performance of preferential procurement in the Kwale County Government. The Kwale County Government should prioritize the development and implementation of a system that allows for the electronic transmission of tender specifications. This would streamline the process, improve efficiency, and ensure effective communication between the government and suppliers. Provide training programs and capacity-building initiatives for both government officials and suppliers to ensure they are well-equipped to utilize e-tendering systems effectively. This would enhance understanding, adoption, and utilization of electronic procurement processes. Conduct periodic evaluations and seek feedback from both government officials and suppliers regarding the implementation of e-tendering. This will help identify areas that require improvement and address any challenges or concerns that may arise during the process.

Based on the findings, electronic sourcing for suppliers, can indeed contribute to improved preferential procurement performance. The study recommends the need to streamline E-sourcing platforms automate the supplier selection process, allowing procurement professionals to efficiently identify and evaluate potential suppliers. There is need to study and benchmark e-sourcing practices implemented successfully in other

counties or similar contexts. Identifying best practices can provide valuable insights and guidance for improving e-tendering processes in Kwale County.

The county government of Kwale should prioritize the full implementation of e-informing practices. This involves expanding the use of electronic systems to gather comprehensive supplier data, communicate effectively with suppliers, and distribute relevant information such as pricing and other procurement-related details. The government should encourage collaboration and engagement with suppliers through e-informing platforms. This can involve sharing performance feedback, seeking references, and promoting open communication channels to build stronger relationships with suppliers.

The county government should continue to prioritize and invest in the implementation of e-ordering systems. This includes further development and enhancement of electronic processes for handling suppliers' invoices, requesting receipts, approving purchase requests, and procuring goods and services. This was to contribute improved efficiency, accuracy, and timeliness in procurement operations. Efforts should be made to standardize and streamline the electronic processes across different departments and divisions within the county government. This was to ensure consistency in implementation and facilitate easier integration and interoperability of electronic systems. It was also reduce the variation observed in the responses and promote greater efficiency and effectiveness in procurement activities.

## **5.5 Further Research Recommendations**

The study being limited to Kwale County highlights the need for future research to expand the scope and examine the implementation and effectiveness of e-ordering in other counties or regions. This broader investigation can provide a more comprehensive understanding of the challenges, successes, and best practices associated with implementing electronic procurement methods in different contexts.

Future studies can also explore the specific factors that contribute to the success or barriers to the implementation of specific dimension of e-procurement (e-ordering, e-sourcing, e-informing and e-tendering). This could involve analyzing the

organizational structure, resources, and capacity of the county governments, as well as the level of support and cooperation from stakeholders involved in the procurement process.

Furthermore, conducting longitudinal studies can provide insights into the long-term impact and sustainability of procurement (e-ordering, e-sourcing, e-informing and e-tendering). By assessing the outcomes and benefits over an extended period, researchers can identify any potential changes, adaptations, or additional interventions needed to maintain and enhance the performance of e-ordering in the procurement process.

Lastly, comparative studies between counties or regions that have implemented procurement (e-ordering, e-sourcing, e-informing and e-tendering) to varying degrees can be valuable. Such studies can shed light on the factors that contribute to successful implementation and performance, allowing for cross-learning and knowledge sharing among local governments.



## REFERENCES

- Abdullahi, B., Ibrahim, Y. M., Ibrahim, A. D., & Bala, K. (2022). Development of web-based e-Tendering system for Nigerian public procuring entities. *International Journal of Construction Management*, 22(2), 278-291.
- Abuselidze, G & Beridze, L. (2021). impact of public procurement on stimulating business activities and economic development.
- Adebayo, V.O., & Evans, R. (2015).: Adoption of E-procurement systems in developing countries: a Nigerian public sector perspective. In: 2nd International Conference on Knowledge-Based Engineering and Innovation. *IEEE, Tehran*, pp. 356–376 (2015)
- Afolabi, A., Ibem, E., Aduwo, E., & Tunji-Olayeni, P. (2022). Digitizing the grey areas in the Nigerian public procurement system using e-Procurement technologies. *International Journal of Construction Management*, 22(12), 2215-2224
- Ahmad, T., Aljafari, R., & Venkatesh, V. (2019). The government of Jamaica's electronic procurement system: experiences and lessons learned. *Internet Research*.
- BC, B. (2020). Barriers to women's participation in public procurement in Africa: Empirical evidence from Uganda.
- Belisari S, Binci, D & Appollon A (2020), E-Procurement Adoption: A Case Study about the Role of Two Italian Advisory Services, *Sustainability*, 12 pp 1-18
- Brandon-Jones, A & Kauppi, K (2018). Examining the antecedents of the Technology Acceptance Model within e-Procurement. *Int. J. Oper. Prod. Manag*, 38, 22–42
- Buffat, A. (2015). Street-level bureaucracy and e-government. *Public management review*, 17(1), 149-161.

- Candela, A., & Ulises, F. (2022). E-Procurement and Performance of Manufacturing Firms in Buenos Aires, Argentina. *Journal of Procurement & Supply Chain*, 6(1).
- Chan, A. P., & Owusu, E. K. (2022). Evolution of Electronic Procurement: Contemporary Review of Adoption and Implementation Strategies. *Buildings*, 12(2), 198
- Chen, Y., Bretschneider, S., Stritch, J. M., Darnall, N., & Hsueh, L. (2022). Eprocurement system adoption in local governments: the role of procurement complexity and organizational structure. *Public Management Review*, 24(6), 903-925.
- Fourie, D & Malan, C. (2020), Public Procurement in the South African Economy: Addressing the Systemic Issue, *Sustainability*, 12 pp 1-23
- Gichuhi, R. W. (2021). The Influence of E-Ordering on Procurement Performance in Geothermal Development Company in Kenya. *Editon Consortium Journal of Economics and Development Studies*, 3(1), 219-224.
- Grandia, J.; Kruijnen, P.M (2020). Assessing the implementation of sustainable public procurement using quantitative text-analysis tools: A large-scale analysis of Belgian public procurement notices. *J. Purch. Supply Manag.*, 100627
- Gupta, M., & Narain, P. (2012). A survey on adoption of e-procurement in Indian organisations. *International Journal of Indian Culture and Business Management*, 5(1), 76-109.
- Hair, J. F., Risher, J. J., Sarstedt, M., & Ringle, C. M. (2019). When to use and how to report the results of PLS-SEM. *European business review*, 31(1), 2-24.

- Hajir, H. M. (2021). *Impact of e-procurement practices on operational performance of retail supermarkets in Nairobi City County, Kenya* (Doctoral dissertation, Strathmore University).
- Haryono, H. (2022). E-Procurement and effectiveness of government goods and services procurement: case study in Singkawang, the province of west Kalimantan, Indonesia. *JPPI (Jurnal Penelitian Pendidikan Indonesia)*, 8(2), 359-366.
- International Labour Organisation (2017). *Revised ILO programme of action 2017–21*. Geneva: International Labour Office. Retrieved from [http://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---relconf/documents/meetingdocument/wcms\\_545657.pdf](http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_545657.pdf)
- Jules, J. S. (2022). Effect Of E-Procurement Adoption On The Procurement In The Public Institutions In Rwanda. *Science Learning Education Journal*, 7(12).
- Kamau, N.K. Wanyoike, D. and Mwangi, B. (2014). Access to credit facilities as a major factor Hindering Access to public Procurement Contracts by Youth Entrepreneurs in Government Ministries in Ol Kalou sub-County, Kenya. *International journal of social science and Research*, 4 (111), 495-498.
- Kioko, M. M., & Mwangangi, P. (2017). Influence of e-procurement on performance of parastatals in Kenya. *International Journal of Supply Chain and Logistics*, 1(3), 19-45.
- Lundberg, S.; Marklund, P.-O.; Strömbäck, E.; Sundström, D. Using public procurement to implement environmental policy: An empirical analysis. *Environ. Econ. Policy Stud.*, 17, 487–520

- Maina, W. N. (2017). *Effect Of E-procurement On Performance Of The Public Sector In Kenya: A Case Study Of The Ministry Of Devolution And Planning In Kenya* (Doctoral dissertation, Kca University).
- Masudin, I., Aprilia, G. D., Nugraha, A., & Restuputri, D. P. (2021). Impact of Eprocurement adoption on company performance: Evidence from Indonesian manufacturing industry. *Logistics*, 5(1), 16.
- Matano, F., Musau, E., & Nyaboga, Y. B. (2020). Effects of e-procurement implementation practices on procurement of goods, works and services in the national youth service, Nairobi City County. *Int Acad J Procure Supply Chain Manage*, 3(2), 63-82.
- Mehdipoor, A., Iordanova, I., Mehdipoorkaloorazi, S., & Banisi Ghadim, H. (2022). Implementation of Electronic Tendering in Malaysian Construction Industry: A Case Study In The Preparation and Application of E-Tendering. *International Journal of Automation & Digital Transformation*
- Mogere, J. O. (2021). *E-procurement and Supply Chain Performance in the Sugar Factories in Kenya* (Doctoral dissertation, University of Nairobi)
- Monai, G. (2022). Sourcing process transformation: the case of CNH industrial.
- Mutangili, S. K. (2019). Influence of E-Procurement Practices on Supply Chain Performance: A Case Study of Kenya Airways. *Journal of Procurement & Supply Chain*, 3(2)
- Mwangi, E. W., & Kagiri, A. (2016). Effects of e-procurement on procurement performance in hospitality industry in Kenya: Case of Sarova chain of hotels. *International Academic Journal of Procurement and Supply Chain Management*, 2(2), 1-19.

- Mwangi, P. N. (2019). Application of E-Sourcing And E-Informing in Procurement Practices on Procurement Performance in Independent Electoral And Boundaries Commission In Kenya. *International Journal of Business Management and Finance*, 3(2).
- Noor, I. S., Wario, G., & Iravo, M. A. (2014). Factors affecting implementation of Eprocurement practices in public service in Kenya: A case of Ministry of Finance. *International Journal of Science and Research*, 2(8), 307-310.
- Nyagu, D. M., & Juma, D. (2019). Determinants of e-procurement performance in county governments. A case of Kajiado County, Kenya. *The Strategic Journal of Business & Change Management*, 6 (2), 735 – 747.
- Obunde, S. (2019). . *Effect of e-procurement on supply chain performance of county governments in Kenya: case study of Busia county government* (Doctoral dissertation, Maseno University).
- Organisation for Economic Co-operation and Development (OECD) (2017). Public Procurement for Sustainable and Inclusive Growth: *Enabling Reform through Evidence and Peer Reviews*., pp. 1–18. Available online: [https://www.oecd.org/gov/ethics/Public-Procurement-for%20Sustainable-andInclusive-Growth\\_Brochure.pdf](https://www.oecd.org/gov/ethics/Public-Procurement-for%20Sustainable-andInclusive-Growth_Brochure.pdf) (accessed on 31 March 2021).
- Orser, B., Liao, X. D., Riding, A. L., Duong, Q., & Catimel, J. (2021). Genderresponsive public procurement: strategies to support women-owned enterprises. *Journal of Public Procurement*.
- Osei-Tutu, E., Kissi, E., Osei-Tutu, S., & Desmond, A. (2019). Evaluating critical factors for the implementation of e-procurement in Ghana.
- Ovadia, J. S. (2022). Addressing gender inequality through employment and procurement: Local content in Tanzania's emerging gas industry. *The Extractive Industries and Society*, 9, 101028.

- Ruiz, A. J. (2020). *Inclusion of women in public procurement: The Latin American experience*. A research report by ILDA. Hivos (July 2020). The Hague, The Netherlands.
- Sandanayake, Y. G., Gunatilake, S., & Waidyasekara, K. G. A. S. (2022). Exploring The Lesson Learnt By Implementing E-Tendering: A Review Of Literature. In *Proceedings The 10th World Construction Symposium| June* (p. 480).
- Shafiee, M. M., & Rejali, S. M. J. (2022). E-procurement, supply chain performance and inter-organisational communication. *International Journal of Logistics Systems and Management*, 41(4), 437-455.
- Stritch, J. M., Bretschneider, S., Darnall, N., Hsueh, L., & Chen, Y. (2020). Sustainability policy objectives, centralized decision making, and efficiency in public procurement processes in US local governments. *Sustainability*, 12(17), 6934
- Suhaidi, E. (2021). *The Adoption of E-Procurement on Performance Impact: Malaysian Contractors' Perspectives* (Doctoral dissertation, Asia e University).
- Tibben, W. & Astbrink, G. (2012) *Accessible Communications: Tapping the potential in public ICT procurement policy*. Australian Communications Consumer Action Network, Sydney
- Tiwari, S. T. S., Chan, S. W., Ahmad, M. F., & Zaman, I. (2019). Application and implementation of E-procurement technologies in malaysian manufacturing firm. *Int J Supply Chain Manage*, 8, 923.
- Zitha, H. E., Mukonza, R. M., & Mpehle, Z. (2021). Critical Considerations for EProcurement System in the South African Public Sector: A Theoretical Perspective. *Journal of Public Administration*, 56(4.1), 1039-1051.

## APPENDICES

### APPENDIX I: INTRODUCTION LETTER

Dear Respondent,

#### **RE: Support on Data Collection**

I am a student at Mount Kenya University pursuing **MASTERS OF SCIENCE IN PROCUREMENT AND SUPPLIES MANAGEMENT**, As part of the requirement for graduation, I am undertaking a research to establish the **EFFECT OF ELECTRONIC PROCUREMENT PRACTICES ON PERFORMANCE OF PREFERENTIAL PROCUREMENT IN KWALE COUNTY GOVERNMENT**.

In this regard, I am kindly requesting for your support in terms of time, and by responding to the attached questionnaire. Your accuracy and candid response was critical in ensuring that the objective research is reached.

Your responses was treated with utmost confidence and was only used for the purposes of the research.

Thank you in advance.

Yours Faithfully, **Abdirahman**

**H. Abdi**

## APPENDIX II: QUESTIONNAIRE

The role of this questionnaire is to collect data for academic purpose only. Please answer all the questions below with utter honesty and exhaustion by ticking as follows [√] in the relevant fields. Also fill in the tables by following the instructions provided in those areas.

### Section A: Respondent's General Information

(a) Has your County Implemented Preferential e-Procurement?

Yes

No

(b) To what extent has your county adhered to preferential e-procurement ?

**KEY:1-Vey low extent,2-Low extent,3-Fairly moderate extent,4-Moderate extent,5-High Extent**

1	2	3	4	5

### SECTION B: EFFECT OF E-SOURCING ON PERFORMANCE OF THE PREFERENTIAL PROCUREMENT

(a) To what extent do you think the following statements are true in regard to esourcing for the special groups?

**KEY : (1-Strongly Disagree (SD), 2-Disagree (D), 3 –Neutral(N), 4- Agree(A), 5Strongly Agree(SA))**

Key SA- Strongly Agree, A- Agree, N- Neutral, D- Disagrees, SD – Strongly Disagree

		SA	A	N	D	SD
ES 1	The county employs modern technology to source suppliers in category of women, youth, and supplier from PWD.					
ES 2	The county uses modern technologies to electronically communicate with young, female, or disabled suppliers.					
ES 3	The county has electronic system that categorize supplier according to the service or product offered.					
ES 4	The county electronically assesses the capability of suppliers that are women, young or have disabilities.					
ES 5	The county has modern technologies that locate suppliers.					
ES 6	The county has effective technology that electronically search for new supplier for a particularly service or product					

**(b)**What other elements of e-sourcing influences the county to procure from the disadvantaged groups to to attain performance targets of 30% of the value set aside for disadvantaged groups

.....  
 ....

.....  
 .....  
 .....  
 .....

**SECTION C: EFFECT OF E-TENDERING ON THE PERFORMANCE OF THE PREFERENTIAL PROCUREMENT**

(a) Kindly rate the following statements to the extent to which you agree on the influence E-tendering on the performance of preferential procurement

**KEY 1-Strongly Disagree (SD), 2-Disagree (D), 3 –Neutral(N), 4- Agree(A), 5Strongly Agree(SA)**

		SA	A	N	D	SD
ET 1	The county has electronic system that informs young people, people with disabilities, and other underrepresented categories of suppliers about tender opportunities.					
ET 2	The county government sends tender specification electronically					
ET 3	The county has web portals allow suppliers to submit their bids electronically.					
ET 4	The county communicates price information electronically with the suppliers taking part in the tender.					
ET 5	We publish tender materials electronically for simple download.					
ET 6	Supplier replies to the tender are sent to us electronically.					

**(b)**In your own opinion, do you think electronic procurement is important for programs such as AGPO?

Yes [ ] No [ ]

**SECTION D: EFFECT OF E-ORDERING ON PERFORMANCE OF THE PREFERENTIAL PROCUREMENT**

Kindly rate the following statements to the extent to which you agree on the influence of e-ordering on the performance of preferential procurement by Nairobi City County  
**KEY 1-Strongly Disagree (SD), 2-Disagree (D), 3 –Neutral(N), 4- Agree(A), 5- Strongly Agree(SA)**

	<b>E-ORDERING</b>	SA	A	N	D	SD
EO 1	The county utilizes electronic methods for procuring our products and services.					
EO 2	The county electronically place orders for goods and services we need.					
EO 3	The county electronically request receipts for payment of the goods and services we receive.					
EO 4	The county handles suppliers' invoices electronically through our processing system.					
EO 5	The county electronically initiates payments to our suppliers.					
EO 6	The county Electronic approvals are conducted for purchase requests.					

**SECTION E: EFFECT OF E-INFORMING ON THE PERFORMANCE OF THE PREFERENTIAL PROCUREMENT**

**(a)**In a scale of 1-5 where 1 is „Not at all“, 2 is „To a little extent“, 3 is „To a moderate extent“, 4 is „To a great extent“, 5 is „To a very great extent“, to what extent do you think electronic procurement has influenced procurement processes in regard to special groups?

	<b>When gathering information;</b>	SA	A	N	D	SD
--	------------------------------------	----	---	---	---	----

<b>EI 1</b>	The county has an electronic system that gathers data about experiences of supplier.					
<b>EI 2</b>	The county compiles data on former customers of suppliers electronically.					
<b>EI 3</b>	To evaluate the caliber of goods or services offered by suppliers, the county electronically looks for references.					
<b>EI 4</b>	The county communicates with pertinent suppliers electronically.					
<b>EI 5</b>	Online, the county electronically distributes pricing and other pertinent data.					

(b) In your own opinion how is e-procurement enhancing the ACPD programme?

.....

.....

.....

.....



**SECTION F :PERFORMANCE OF THE PREFERENTIAL PROCUREMENT**

What is your level of agreement with the following statements in relation to the preferential procurement for special groups by the County **(1-Strongly Disagree, 2Disagree, 3 –Neutral, 4- Agree, 5-Strongly Agree).**

<b>Statements</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
The county has increased the proportion of PWD, women and youth suppliers participating in government procurement opportunities.					
The county has successfully put into place a preferential procurement system.					
The county support Marginalized groups in their performance of tenders they are awarded.					
The number of bids chosen for the special group category is in line with the county's suggested 30% of the overall procurement budget.					

The county ensures that PWD, women and youth are aware of the available procurement opportunities in the county					
The county has increase prequalification of PWD, women and youth suppliers.					

(c) In your own opinion, what other effect does e-procurement have on performance of AGPO in your county

.....

.....

.....

.....



Thank you



## APPENDIX IV: ETHICS REVIEW COMMITTEE LETTER



REF: MKU/ISERC/2821

TO: ABDIRAHMAN H. ABDI

Date: 31 May 2023

REG: MPSM/2021/75262

Dear Sir/Madam,

**RE: EFFECT OF ELECTRONIC PROCUREMENT PRACTICES ON PERFORMANCE OF PREFERENTIAL PROCUREMENT IN KWALE COUNTY GOVERNMENT**

This is to inform you that **Mount Kenya University** has reviewed and approved your above research proposal. Your application approval number is **1865**. The approval period is **31/05/2023 - 30/05/2024**.

This approval is subject to compliance with the following requirements;

- i. Only approved documents including informed consents, study instruments, MTA will be used
- ii. All changes including amendments, deviations and violations are submitted for review and approval by **Mount Kenya University**
- iii. Death and life-threatening problems and serious adverse events or unexpected adverse events whether related or unrelated to the study must be reported to **Mount Kenya University** within 72 hours of notification
- iv. Any changes, anticipated or otherwise that may increase the risks or affect the safety or welfare of study participants and others or affect the integrity of the research must be reported to **Mount Kenya University** within 72 hours
- v. Clearance for export of biological specimens must be obtained from relevant institutions
- vi. Submission of a request for renewal of approval at least 60 days prior to expiry of the approval period. Attach a comprehensive progress report to support the renewal
- vii. Submission of an executive summary report within 90 days upon completion of the study to **Mount Kenya University**

Prior to commencing your study, you will be expected to obtain a research license from National Commission for Science, Technology and Innovation (NACOSTI) <https://research-portal.nacosti.go.ke> and also obtain other clearances needed.

Yours sincerely,



The Chairman  
Mount Kenya University  
Ethics Review Committee  
P. O. Box 342 - 0100, Thika

**Dr. Peter G. Kirira**  
Chairman, Mount Kenya University ISERC



## APPENDIX V: UNIVERSITY AUTHORIZATION LETTER



### DIRECTORATE OF GRADUATE STUDIES

MBA/2021/75262

31<sup>st</sup> May, 2023

*National Commission for Science Technology & Innovation (NACOSTI)  
Off Waiyaki Way, Upper Kabete,  
P.O Box 30623- 00100  
NAIROBI, KENYA*

Dear Sir/Madam,


**RE: ABDIRAHMAN H. ABDI- REGISTRATION NO. MBA/2021/75262**

The purpose of this letter is to introduce the above named student who is pursuing **Master of Business Administration** in the department of **Accounting and Finance** in the school of **Business and Economics**

The title of the research is **"Effect of Electronic Procurement Practices on Performance of Preferential Procurement in Kwale County Government."** It has been cleared by the University's Ethics Review Committee (Certificate attached) and now has to proceed to the field to collect data between **June, 2023 and August, 2023.**

Any assistance accorded to the student will be highly appreciated.

Thank you.

  
**Dr. Samuel M. Karenga, Ph.D**  
**Director, Graduate Studies**  
Enc.

Mount Kenya University  
P.O. Box 342-01000, THIKA  
Office of the Director  
Graduate Studies

Main Campus, General Kago Road, P.O. Box 342-01000 Thika.  
Tel: 020-2878 000, Cell: +254 709 153 000  
Email: info@mku.ac.ke, Web: www.mku.ac.ke  
Chartered and ISO 9001 : 2015 Certified Institution.  
**Unlocking Infinite Possibilities**

## ABDIRAHMAN H. ABDI

### ORIGINALITY REPORT

<b>16%</b>	<b>14%</b>	<b>4%</b>	<b>8%</b>
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

### PRIMARY SOURCES

<b>1</b>	<b>Submitted to Kenyatta University</b> Student Paper	<b>2%</b>
<b>2</b>	<b>erepository.uonbi.ac.ke</b> Internet Source	<b>2%</b>
<b>3</b>	<b>ir.mu.ac.ke:8080</b> Internet Source	<b>2%</b>
<b>4</b>	<b>stratfordjournals.org</b> Internet Source	<b>1%</b>
<b>5</b>	<b>Submitted to Mount Kenya University</b> Student Paper	<b>1%</b>
<b>6</b>	<b>library.kisiiuniversity.ac.ke:8080</b> Internet Source	<b>1%</b>
<b>7</b>	<b>Submitted to KCA University</b> Student Paper	<b>1%</b>
<b>8</b>	<b>www.ijssit.com</b> Internet Source	<b>1%</b>
<b>9</b>	<b>erepository.mkuit.ac.rw</b> Internet Source	<b>1%</b>