

DETERMINANT OF EFFICIENT MANAGEMENT OF PROCUREMENT PROJECTS WITH REFERENCE TO THE NATIONAL POLICE SERVICE IN NAIROBI COUNTY**David Koome Mutea**

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ABSTRACT

The effectiveness and efficiency in management of public procurement projects are important ingredients for the development and growth of any country. Poor management of public procurement projects has been witnessed commonly resulting from non adherence to proper procurement processes and procedures as enshrined in various procurement related legislations. For efficiency and value for money to be obtained a cross public entities, procurement must conform to the best practices. In Kenya the government has set standards that are backed by various legislations which includes article 227 of constitution that provides guidance on public procurement matters, PPDA, 2005 that stipulates procedures for efficient public procurement and establishes public procurement oversight body, PPO. Despite these elaborate reforms in public procurement, the gains envisaged including maximizing economy and efficiency, increasing transparency and accountability have remained elusive. Procurement projects management in the NPS continues to draw attention both from the internal and external environment. There are various factors that affect efficient management of public procurement projects and it was the purpose of the study to analyze the determinants of efficient management of procurement projects in the National Police Service. The researcher used descriptive research design. The target population considered in the study was procurement personnel in the National Police Service within Nairobi County estimated to be 200. The establishment was categorized into three levels and the simple random sampling technique was adopted at each level. The sample size was 30% of the population selected from the three ranking cadres in the NPS i.e. senior management, middle level management and the low level management (support staff). Structured questionnaire was used to collect data so as to ensure consistency. Data processing was done using SPSS and Microsoft excels and presented in the form of tabulations, percentages, mean

and standard deviation. The study concludes that the police service staff carrying out procurement attended formal training facilitated by the government which included both in-house and outside workshops, seminars and training sessions. The study as well concludes that, the condition of government policy was generally average which falls below expectation. The study recommends that, National Police Service should encourage more of its employees especially procurement staff to further their education in the discipline. The study also recommends that proficiency in-service training as a component of career development initiative must be closely coordinated with organization's training efforts.

Key Words: *management of procurement projects, National Police Service, Nairobi County*

Introduction

Public procurement is the acquisition of goods and services at the best possible total cost of ownership, in the right quantity and quality, at the right time, in the right place and from the right Source (Bennet, 1997). According to OECD (2006), Public procurement management is a critical wealth generation activity. Public procurement management accounts for about 16% of most OECD countries GDP in ordinary times (OECD, 2013). Further, Woolcock (2008) argues that among African countries such as Uganda and Tanzania, procurement accounts for about 10% of GDP and sometimes even up to 70% of total government expenditure. Moreover, Bianchi & Guidi (2010) argue that apart from wealth generation, efficient public procurement management can be utilized in other activities such as environmental conservation and cultural cohesion. Overall, public procurement management is more important today than at any other time before courtesy of factors such as globalization, market liberalization and technology which have played key roles in opening up local public procurement to the global business market. Nevertheless, public procurement management is vulnerable to all manner of irregularities. risks of bribery are rife in many countries including OECD countries. OECD (2013) shows that public procurement management irregularities are most likely to occur in public utility funding activities such as award of public contracts. Further, procurement in public institutions is likely to be faced by bribery instances Bohnstedt (2008).

Procurement in Kenya has undergone a series of interesting transformations. According to Awiti,(2008), Bohnstedt (2008) and PPOA (2007), public procurement management in the country has evolved from a rudimentary system with no universal regulatory framework in the 1960s to a treasury-controlled system in the 1970s, 1980s and 1990s to the now legally bound and orderly procurement system. In a nutshell, the Public procurement and Disposal Act (PPDA) of 2005 and Public procurement management & Disposal Regulations (PPDR) of 2006 require all public procurement management activities in Kenya to be carried out in a transparent and accountable manner – public procurement management officials are supposed to engage members of the public in all stages of procurement decision making (Bohnstedt, 2008). Arguably, these developments have been necessitated by the increase in public procurement

management budget which according to National Taxpayers Association (2012: 2), stands at about 65% of the government's annual expenditure. Nevertheless, the implementation of the PPDA of 2005 and PPDR of 2006 has not been as transparent as it should be. This, according to Awiti (2008), Bohnstedt (2008) and PPOA (2007) has led to numerous cases of corruption in the country.

The efficiency and success in management of procurement project(s) in any organization is determined by various factors such as stakeholder's influence, organizational structure, training level of employees, Leadership style adopted by project managers and moderating effect of government policies. The study embarked to find the extent these factors have on efficient management of procurement projects in the national police service.

Statement of the Problem

Regardless of the effort by the Kenya government to improve public procurement through creation of various procurement related legislations such as article 227 and Public Procurement and Disposal Act of 2005, management of procurement projects in public institutions is still marred by shoddy works, poor quality goods and services and corruption (Akunda, 2011). According to Tetra Tech International Development (TTID), nearly 80% of all cases before the Kenya Ethics and Anti-corruption Commission (KEAC) have a procurement element (TTID, 2013)

Report by the Kenya Anti-corruption Commission (now EACC) of 2001, gave a police procurement project involving a contract to supply 520 assorted Hyundai motor vehicle worth US\$ 10 million. That report indicated vehicles were never delivered despite payments having been made. Transparency International (TI) 2013 report ranks the Kenyan police as the most corrupt institution in Kenya in all aspects including procurement. According to that report, 95% of all respondents interviewed believe that the increasing number of stalled police procurement projects is as a result of corruption resulting to procurement irregularities in the sector.

World report of 2012 reported a Kshs. 300 million high tech procurement project for the Directorate of criminal Investigation that was initiated in the year 2008 but due to procurement irregularities, the project has stalled to date (WB, 2012). A different report by Transparency International, (TI) in partnership with the property Kenya, indicated the National Police Service as the most affected public institution with highest number of stalled procurement projects. This concurs with another report by World Bank (WB) that found out the estimated amount of money required to complete police-related stalled procurement projects is 12 billion Kenya shillings (WB, 2012).

Local empirical studies by Njagi (2011) and Madung (2010), only concentrated on the factors affecting efficiency of public procurement function and factors affecting adequate contract periods respectively. From the literature review, there have been considerable studies on security, corruption and service delivery related issues in the NPS. This study therefore sought to assess the various determinants of efficient management of public procurement projects thus

contributing to other studies through ascertaining whether selected variables affects management of procurement projects in reference to the National Police Service within Nairobi County.

General objective

The main objective of the study was to investigate the determinants of efficient management of procurement projects with reference to National Police Service in Nairobi County.

Specific objectives

1. To find out the effect of stakeholders' influence on procurement projects management in the National police service.
2. To determine whether organizational structure affects procurement projects efficiency in the National police service.
3. To assess the effect of leadership style on procurement projects management in the National police service.
4. To determine the effect of training on procurement projects management in the National police service.
5. To analyze the moderating effect of government policies on efficient management of

Research Design

The main focus of this study was quantitative. However some qualitative approach was used in order to gain a better understanding and enabled a better and more insightful interpretation of the results. The study adopted descriptive research design. According to Mugenda and Mugenda (2003), a descriptive research design determines and reports the way things are. Also Creswell (2003) observed that a descriptive research design is used when data is collected to describe persons, organizations, settings or phenomena. Descriptive design was ideal in this study as the study was carried out within a limited geographical scope and hence it was logistically easier and simpler to conduct. In agreement with Kothari (2008), the design also provided enough protection against biasness and helped maximize reliability. In agreement with Mugenda and Mugenda (2003), the researcher considered cross-sectional approach the study was undertaken within a particular point in time. This approach was appropriate because it allowed analysis of the relations of variables under study using linear regression. It also allowed greater flexibility in terms of money, time as well as avoiding the hardship of hunting for respondents more than once to produce high response rate Kothari (2008).

Sample Design

Stratified random sampling design was adopted in the study. This method was appropriate because it was able to represent not only the overall population but also the key sub groups of the population. The method also was best because it helped minimize biasness. The target population considered in the study was procurement personnel in the National Police Service within Nairobi

County estimated to be 200. The establishment was categorized into three levels and the simple random sampling technique was adopted at each level. The researcher considered 30% of the target population.

Table 1: Sample Size

Category	Target Population	percentage	sample size
National police service Top Level Management	20	0.3	6
National police service Middle Level Management	50	0.3	15
National police service Lower level Management	130	0.3	39
Total	200	0.3	60

Data Analysis

The questionnaires were checked for completeness and consistency of information at the end of every field data collection day and before storage. Data capturing was done using Excel software. The data from the completed questionnaires were cleaned, re-coded and entered into the computer using the statistical packages for social sciences (SPSS) Windows for analysis. The SPSS computer program was commanded to produce frequency tables, graphs, pie charts and the necessary measures of variances for interpretation.

Summary of Findings

On stake holders' influence on efficient management of police procurement projects majority of the respondents indicated that police procurement projects management was being influenced by stake holders hence stake holders was a major factor contributing to efficient management of public procurement projects. According to the analysis of the findings, the respondents indicated that in general stake holders had helped National police service manage procurement projects more effectively and streamline operations.

On whether organizational structure affects efficient management of police procurement projects, majority of the respondents indicated that National police service had a proper organizational structure. It was revealed that majority of the respondents were undoubtedly in agreement that organizational structure was in place but they exhibited great difference in regards to the system being proper and efficient. The study further revealed that quite a number of respondents indicated that the organizational structure used had negative effects on public procurement projects management due to many fundamental flows.

In training, the study found out that majority of the respondents had attended formal training facilitated by National police service sometimes when need arises while others indicated that they attended formal training often. The study further revealed that senior management staff in charge of public procurement projects management attended formal training very often in comparison to the lower cadre staff.

According to the analysis of the findings, majority of the respondents indicated that management courses/strategic leadership programmes for procurement personnel was very important in improving performance of public procurement projects management.

On Government policy, current government policies guiding procurement practices was rated unsatisfactory which could be the reason of ineffectiveness in police procurement projects management. Due to poor condition of the Government policy, National police service experiences numerous government policy problems hence leading to ineffective police procurement projects management. Analysis of the findings further indicated that application of the right government policy by National police service minimizes depreciation, pilferage and wastages.

Conclusions

Based on the findings, it can be concluded that National police service personnel attended formal training facilitated by the government which included both in-house and outside workshops, seminars and training sessions. In relation to staff training, the study concluded that a significant proportion of the procurement personnel were furthering their education in institutions of higher learning indicating the commitment of National police service in promoting career development/enhancement among its employees. Watson (2002) recognized that systematic training of workers was one of the best practice rather than allowing them personal discretion in their tasks. He further believed that the workload would be evenly distributed between the workers and management with management performing the instruction and the workers performing the labor, each group doing the work for which it is best suited.

As far as government policy is concerned, the study concluded that the condition of government policy was generally average which falls below expectation and hence a major contributor to ineffectiveness in public procurement projects management. Due to the poor condition of government policy, National police service faces numerous procurement projects management problems such as increased procurement cost, corruption, inefficiency among others. Shingo (2005) in his study emphasized that an integrated methodology that incorporates the manufacturing variability and the government policy system is essential. Houtzeel (1992) also demonstrated that the proposed government policy system approach can significantly improve a public procurement projects.

Recommendations

On the basis of staff training, the study recommended that National police service should encourage more of its employees to further their education by enrolling in institutions of higher learning and tertiary colleges in order to achieve the required development objectives and the range of competencies, knowledge and skills which are necessary to meet effectively the career development needs of human resources handling procurement operations. The study also recommended that proficiency in-service training as a component of the career development initiative must be closely coordinated with the organization's training efforts. This benefits both

the National police service and its employees by keeping them up-to-date on duties and responsibilities within present job assignments as procurement personnel. It also allows procurement managers the opportunity to maintain those skills and abilities necessary for the job they perform. Arnaldo, (2001) in his study argued that the adoption of a simple solely task-related model of training – often used to train employees has proved to be inadequate in imparting the relevant skills to employees handling procurement operations.

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