FACTORS INFLUENCING PROCUREMENT PERFORMANCE IN PUBLIC SECTOR ORGANISATIONS: A CASE OF NATIONAL HOUSING CORPORATION, NAIROBI.

BILLJOHN MWANGI KURIA

A RESEARCH PROJECT SUBMITTED TO THE SCHOOL OF MANAGEMENT AND LEADERSHIP IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE AWARD OF THE DEGREE OF BACHELOR OF MANAGEMENT AND LEADERSHIP OF THE MANAGEMENT UNIVERSITY OF AFRICA

OCTOBER 2025

DECLARATION

This Research Project is my original work and has not been presented for a degree in any other University

Signature…… Date ……

BILLJOHN MWANGI KURIA

ODLBML/29/01527/1/23

This research proposal has been submitted for examination with my approval as University Supervisor

Signature…… Date ……

Cliff Onsongo

The Management University of Africa

DEDICATION

I humbly dedicate this research proposal to my heaven father for his sufficient grace until this far and my family for the material and moral support during my study.

ACKNOWLEDGMENT

I wish to acknowledge my supervisor Mr. Cliff Onsongo for his endless support and constructive criticism during the writing of this proposal without the document will have not been completed. My special gratitude also goes to the Management of Management University of Africa for giving the opportunity to pursue this course and providing a conducive environment for study. I also acknowledge my colleagues for their moral support that has seen me approach the competition of this proposal .I also most sincerely appreciate the input of Airways enterprises who have been typing my work.

To you all, God bless you.

ABSTRACT

This study sought to examine the factors influencing procurement performance in public sector organisations, focusing on NHC. The specific objectives were to establish the effects of information technology, planning, staff competence, and financial resources on procurement performance. A descriptive research design was adopted, targeting 230 NHC employees across all management levels. Stratified random sampling was used to select 46 respondents. Data was collected through structured questionnaires, and a pilot test confirmed reliability with a Cronbach's alpha of 0.83. The analysis involved descriptive statistics such as frequencies and means, presented using tables and charts, while qualitative responses were analyzed thematically. The findings showed that information technology, planning, staff competence, and financial resources significantly influence procurement performance. Specifically, 41% of respondents cited a great extent of influence for information technology, while 44% did so for planning. Staff competence was considered critical, with 33% citing a great extent of influence, and financial resources were also found important, with 41% rating them as highly influential. Overall, over 80% of respondents agreed that these four factors collectively shape procurement outcomes at NHC. The study concluded that procurement performance at NHC is multidimensional and requires deliberate improvements in technology adoption, planning, training, and financial allocation. It recommended that NHC strengthen IT systems, invest in continuous staff training, develop robust procurement plans, and ensure adequate financial support. The study further suggested that similar research be undertaken in other public sector institutions to allow comparison and generate broader insights on procurement performance in Kenya.

TABLE OF CONTENTS

DECLARATION ..... **ii**

DEDICATION ..... **iii**

ABSTRACT ..... **v**

TABLE OF CONTENTS ..... **vi**

LIST OF TABLES ..... **ix**

LIST OF FIGURES ..... **x**

ACRONYMS AND ABBREVIATIONS ..... **xi**

OPERATIONAL DEFINITION OF TERMS ..... **xii**

CHAPTER ONE **1**

INTRODUCTION **1**

1.0 Introduction 1

1.1 Background 1

1.2 Statement of the Problem 4

1.3 Objectives of the Study 5

1.4 Research Questions 6

1.5 Significance Of The Study 6

1.6 Scope of the Study 6

1.7 Chapter Summary 7

CHAPTER TWO **8**

LITERATURE REVIEW **8**

2.0 Introduction 8

2.1 Theoretical Literature Review 8

2.2 Empirical Literature Review 10

2.3 Summary and Research Gaps 19

2.4 Conceptual Framework 20

2.5 Operationalization of Variables 21

2.6 Chapter Summary 22
CHAPTER THREE 23
RESEARCH DESIGN AND METHODOLOGY 23
3.0 Introduction 23
3.1 Research design 23
3.2 Target Population 23
3.3 Sample and sampling technique 24
3.4 Instruments 25
3.5 Pilot Study 25
3.5.1 Validity 25
3.5.2 Reliability test 25
3.6 Data collection procedure 26
3.7 Data Analysis and Presentation 26
3.8 Ethical Considerations 26
3.9 Chapter Summary 28
CHAPTER FOUR 29
RESEARCH FINDINGS AND DISCUSSION 29
4.0 Introduction 29
4.1 Presentation of Research Findings 29
4.2 Limitations of the study 41
4.3 Chapter Summary 41
CHAPTER FIVE 44
SUMMARY, RECOMMENDATIONS AND CONCLUSIONS 44
5.0 Introduction 44
5.1 Summary of Findings 44
5.3 Conclusions 45
5.4 Recommendations 45
5.5 Suggestions for Further Study 46
REFERENCES 47

APPENDICES 50

APPENDIX 1: INTRODUCTORY LETTER..... 50

APPENDIX II : QUESTIONNAIRE 51

LIST OF TABLES

Table 1:Target Population..... 24
Table 2: Sample size..... 24
Table 3:Response Rate..... 29
Table 4:Highest Level of Education..... 31
Table 5:Working Experience..... 32
Table 6:Effect of information technology on procurement performance in public sector organisations in Kenya..... 33
Table 7: Extent to which information technology affect procurement performance in public sector organisations in Kenya..... 34
Table 8:Effect of planning on procurement performance in public sector organisations in Kenya. 35
Table 9:Extent to which planning affect procurement performance in public sector organisations in Kenya..... 36
Table 10:Effect of staff competence on procurement performance in public sector organisations in Kenya..... 37
Table 11:Extent to which staff competence affect procurement performance in public sector organisations in Kenya..... 38
Table 12:Effect of financial resources on procurement performance in public sector organisations in Kenya..... 39
Table 13:Extent to which financial resources affect procurement performance in public sector organisations in Kenya..... 40

LIST OF FIGURES

Figure 1 : Conceptual Framework 21
Figure 2: Response Rate 30
Figure 3: Gender of respondents 30
Figure 4: Respondent's Age 31
Figure 5: Level of Education 32
Figure 6: Working Experience 33
Figure 7:Extent to which information technology affect procurement performance in public sector organisations in Kenya 35
Figure 8: Effect of planning on procurement performance in public sector organisations in Kenya. 36
Figure 9:Extent to which planning affect procurement performance in public sector organisations in Kenya. 37
Figure 10: Effect of staff competence on procurement performance in public sector organisations in Kenya. 38
Figure 11: Extent to which staff competence affect procurement performance at National Housing Corporation. 39
Figure 12:Effect of financial resources on procurement performance at National Housing Corporation. 39
Figure 13:Extent to which financial resources affect procurement performance in public sector organisations in Kenya. 40

ACRONYMS AND ABBREVIATIONS

MUA- Management University of Africa

IT- Information Technology

OPERATIONAL DEFINITION OF TERMS

Staff Competence -Involves knowledge and skills application so as to meet desired objectives with the level of excellence that is required.

Information Technology-Entails use of such relevant technologies such as internet and computer in the execution of the procurement function in organisations. The strength of a firm's information technology infrastructure determines the success rate at which it achieves its goals and objectives.

Procurement planning-A process that provides details on how the acquisition of goods and services is to take place in the organisation. It is an important stage of the procurement process without which the organisation may fail to achieve its objectives

Financial Resource-Monetary resources required by organisations to performance of various functions. These resources are allocated through the guidance of a budget that has to be approved by senior management.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

The background of the study, problem statement, research objectives and questions to be addressed by the study, benefits of the study and scope are explored in this section.

1.1 Background

Public procurement is a critical function of governments worldwide, serving as the channel through which public funds are spent on goods, works, and services necessary for national development. Procurement performance is therefore central to ensuring efficiency, accountability, transparency, and value for money in public sector organisations. It is measured by factors such as cost effectiveness, timeliness of delivery, supplier quality, and compliance with legal and regulatory frameworks. When procurement systems perform well, governments are able to deliver infrastructure, healthcare, housing, and education more effectively, thereby meeting the needs of citizens and fostering economic growth.

In advanced economies such as Canada and the United States, procurement performance has long been associated with the balance between strict compliance requirements and efficient service delivery. In Canada, Khurania (2020) examined supplier performance in federal IT procurement contracts and showed that contract design and supplier oversight strongly influenced service outcomes. Similarly, in the United States, Benavides Mendoza et al. (2023) argued that while complex federal procurement rules safeguard fairness, they can also slow processes unless integrated with modern IT tools. These studies highlight that procurement performance in North America is closely linked to digital transformation, contract management, and strong supplier monitoring.

In Asia, Singapore and Malaysia offer further insights. Singapore's procurement framework is often praised for its structured competitive bidding processes, which enhance transparency and fairness. Oo (2018) found that the design of procurement processes in construction projects

determined the level of competition and efficiency achieved. Malaysia, on the other hand, has experienced mixed outcomes, particularly in pharmaceutical procurement. Lee (2022) observed that while procedures are established, inefficiencies persist due to weak planning and coordination, which has led to delays and wastage. Hamzah (2020) similarly recommended the adoption of e-procurement platforms and better forecasting tools to improve performance. Together, these studies demonstrate that planning and technology play an important role in enhancing procurement performance in Asia.

China and India provide another useful perspective. In China, procurement performance has been shaped by government reforms promoting green and sustainable procurement. Liu (2019) noted that strong internal controls improved compliance, while Cao (2022) argued that digital tools and policy support were essential in making public procurement more effective. In India, Srivastava and Agrahari (2017) examined benchmarking in public procurement and established that performance-based contracting reduced delays and cost overruns in government projects. These findings emphasize that both countries are moving toward a performance-oriented procurement culture that integrates sustainability and efficiency.

In Europe, the United Kingdom and Germany demonstrate how procurement performance is influenced by governance and innovation. In the UK, Selviaridis (2023) highlighted the role of procurement design in preventing collusion and improving competition outcomes, noting that data-driven oversight tools enhance transparency and accountability. In Germany, Caserta (2025) pointed to the importance of strategic procurement and centralisation in improving efficiency and value for money. These findings show that in developed European contexts, procurement performance is increasingly tied to the integration of digital tools, anti-collusion measures, and strategic governance frameworks.

Turning to Africa, studies in Nigeria, Ghana, and South Africa point to governance and capacity issues as major influences on procurement performance. Ibrahim (2025) in Nigeria emphasised that procurement staff competencies directly affect procurement efficiency and recommended targeted training programmes. In Ghana, Seidu et al. (2024) found that role conflicts and lack of strategic participation in procurement limited performance, urging for clearer role definitions and stronger institutional support. Mojaki (2024) in South Africa argued that digitalisation and

Industry 4.0 technologies were crucial for curbing corruption and improving timeliness. Collectively, these studies highlight that procurement performance in African contexts depends heavily on professional skills, technological adoption, and governance structures.

Neighbouring East African countries also provide relevant lessons. In Uganda, Muhwezi et al. (2020) found that procurement planning significantly influenced the performance of construction projects, recommending enhanced user participation and better need-identification mechanisms. In Tanzania, Changalima (2022) demonstrated that supplier monitoring and procurement skills improved procurement outcomes, while later work in 2023 confirmed that strong contract management supported better results. These findings reinforce the view that procurement performance is improved when planning processes are robust and staff are skilled in supplier oversight.

In Kenya, procurement performance in the public sector has attracted increasing scholarly attention, particularly in relation to state corporations and county governments. Chepkwony (2023) investigated project cost management at the National Housing Corporation and established that sound cost estimation and budgeting had a positive impact on project delivery. Other Kenyan studies, such as those by Musyoka et al., show that supplier development, staff training, and IT adoption are crucial in achieving effective procurement outcomes. These findings reveal that while Kenya has made strides in reforming its procurement systems under the Public Procurement and Asset Disposal Act, performance challenges still persist due to capacity gaps, funding delays, and weak planning.

Against this backdrop, various studies across countries consistently identify a number of factors that influence procurement performance in the public sector. Among them, information technology has emerged as a critical enabler of transparency and efficiency, with scholars such as Changalima (2022) and Lee (2022) showing that e-procurement improves accountability and reduces manual errors. Planning is also essential, as demonstrated in Uganda by Muhwezi et al. (2020), who found that poor planning leads to delays and higher costs, while in Ghana, Seidu et al. (2024) similarly noted the importance of aligning planning processes with organisational needs. Staff competence remains another major factor, with Ibrahim (2025) stressing that well-trained procurement officers enhance performance outcomes, while Changalima (2023) in

Tanzania confirmed the importance of procurement skills in achieving efficiency. Lastly, financial resources play a vital role; Chepkwony (2023) at NHC in Kenya revealed that adequate and timely funding significantly affects the ability to deliver housing projects effectively.

It is therefore evident that procurement performance in public sector organisations is a multi-dimensional issue influenced by technology, planning, human competence, and financial resources. While experiences differ across regions, the common thread is that without addressing these four factors, procurement systems often fail to deliver on their intended objectives. The National Housing Corporation in Kenya provides a relevant case for further investigation, given its central role in housing delivery and the persistent procurement challenges it faces.

1.2 Statement of the Problem

The National Housing Corporation (NHC), like many public organisations in Kenya, faces growing pressure to improve efficiency, accountability, and competitiveness in an increasingly dynamic business environment. As the country continues to urbanise rapidly and the demand for affordable housing grows, the performance of NHC's procurement function has come under scrutiny. Procurement is central to NHC's operations because it directly affects the timely delivery of housing projects, cost efficiency, and overall service delivery to the public. Despite its importance, the organisation continues to report inefficiencies such as delays, cost overruns, and non-compliance with procurement rules, suggesting that procurement performance remains sub-optimal.

Research in Kenya identifies several factors that commonly undermine procurement effectiveness. For example, in a study of the implementation of the public procurement regulatory framework in devolved governments, Ateto, Ngugi, and Odhiambo found a positive and significant relationship between staff competency and implementation levels, implying that inadequate skills limit effective procurement execution (Ateto, Ngugi, & Odhiambo, 2022). Similarly, in Kilifi County Government, Mutula and Barasa (2024) established that staff competence in ICT, managerial commitment, and ICT infrastructure had strong effects on electronic procurement performance, indicating that human capacity and technology are key enablers of procurement effectiveness in county governments. In another study focused on Tana

River County, Muchiri and Barasa (2022) showed that employees' IT competence and ICT infrastructure both positively and significantly influenced electronic procurement performance.

Given these findings, attention also turns to planning and financial resource dimensions. In Kisumu County technical training institutions, a study revealed that 73% of respondents agreed information technology positively affects procurement performance; likewise, employee competence, including relevant training and qualifications, was found to correlate with better procurement outcomes (Omondi, Kirima, & Ngala, 2024). Furthermore, in the Kenyatta National Hospital, a study found that the absence of adequate procurement expertise and deficiencies in information systems hampered implementation of procurement plans, while inadequately trained staff and outdated hardware were identified as impediments (Nyaga, 2023).

It is on this basis that the present study seeks to examine the extent to which procurement performance at the National Housing Corporation is influenced by staff competence, procurement planning, information technology adoption, and the adequacy of financial resources. By focusing on NHC, this research aims to build on the Kenyan evidence and provide specific insights for a major public housing agency whose performance is critical to meeting the country's housing demand.

1.3 Objectives of the Study

1.3.1 General Objective

This research examined the factors influencing performance of procurement in public sector organisations in Kenya.

.1.3.2 Specific Objectives

i) To examine how information technology affects procurement performance at National Housing Corporation.
ii) To assess how planning affects procurement performance at National Housing Corporation.

iii) To evaluate how staff competence affects procurement performance at National Housing Corporation.
iv) To evaluate the effect of financial resources on procurement performance at National Housing Corporation

1.4 Research Questions

i. How does information technology affect procurement performance at National Housing Corporation?
ii. How does Planning affect procurement performance at National Housing Corporation?
iii. How does the staff competence affect the procurement performance at National Housing Corporation?
iv. To what extent do financial resources affect procurement performance at National Housing Corporation?

1.5 Significance Of The Study

The study findings will provide the management with information regarding the current state of the procurement function and its contribution to the performance of the company. The recommendations of the study will assist the management develop a guideline for improving procurement process for increased quality of service and profitability.

Other firms in the same sector will have an insight into the role of the procurement function. The firms will find the recommendations of this study applicable for purposes of enhancing the delivery of service

This research will provide additional empirical literature to researchers who have interest in the subject of performance of procurement function not only in the public sector but other sectors too.

1.6 Scope of the Study

This study examined factors influencing procurement performance in public sector organisations in Kenya. The target population was 230 Management Level staff based at the Headquarters in

National Housing Corporation, Aga khan Walk, Nairobi. The study was conducted between May 2025 and August 2025.

1.7 Chapter Summary

Chapter one reviewed the introductory literature procurement and performance in public sector organisations in Kenya. The background to the study reviewed the introduction to the concept and context of the study. The research problem reviewed the problem that the study intent to solve followed by the research objectives and questions that the research intent to answer. Then the significance of the study is reviewed to show the parties that will benefit from the study and finally the scope of the study. The next chapter will review past literature on this area of knowledge.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

In this chapter, literature regarding the factors affecting procurement performance in public sector organisations is presented with aim of finding the gaps in knowledge. The theoretical literature is reviewed followed by empirical literature that involves a review of past studies on the factors affecting procurement performance in public sector organisations followed by the chapter summary.

2.1 Theoretical Literature Review

The study's theoretical review is based on three theories that try to explain the factors that affect procurement performance. These are the stakeholder theory, resource-based theory and Adaptive Structuration Theory.

2.1.1 Resource based Theory

The resource-based view is a postulation by Wernerfelt (1984) which was later supported by the works of Barney (1991). The conceptual development of the theory has also received a boost from Zahra & George (2002) and Penrose (2012) who gave a clear picture of the theory and its applicability in modern business and management. The fundamental tenets of the theory highlight the need for resources for organisational excellence. The authors indicated that organisations both large and small whether in the public or private sector have resources considered unique to them and that help in enhancing their competitive advantage. The study used this theory to highlight the relationship between adequacy of financial resources and the performance of the procurement function in organisations.

2.1.2 Adaptive Structuration Theory

This study sought to evaluate the effect of information technology on effective procurement management. This theory of adaptive saturation proposed by Giddens in 1984 was considered appropriate as it seeks to reconcile the social systems and the macro and micro perspective of organizational structure. A further addition to the theory was by .DeSantis and Poole (1994) who described the interaction between advancing information technologies and humans. This forms the basis of analyzing the influence of information technology on effective procurement management. The AST provides a good approach to analyzing the process of procurement in organisations (Wild, 2012).

2.1.3 Agency Theory

According to Clarke (2004), in this relationship, the agents are hired by the principals to manage the firm on their behalf and make important decisions in the shareholders' best interest also referred to as delegation of work. However, the management as agents can be self-interested in decision making (Padilla, 2000). The management may focus on activities that benefit them and fall short of congruence with the aspirations of the shareholders for instance; the agent may focus on investments that have high return and a fixed wage without any incentive payments (Holmstrom & Milgrom, 1994). This causes agency problems.

This theory is of the opinion that in managing different activities of the firm, for instance when implementing strategies, the management as agents always have more information than the shareholders which causes information asymmetry. This asymmetry in information adversely affects the shareholders' ability to monitor the process effectively and know whether the management is properly carrying out tasks or not. Donaldson (1990) criticizes the Agency theory for various reasons. These include that the theory ignores other research, dominates in relation to methodology individualism, for its regressive simplification and also that the theory is narrowly defined. The relevance of the Agency theory to this study is its suggestion that when the management of the firm implements competitive strategies bearing in mind the shareholders interest, then the entire process will be successful.

2.2 Empirical Literature Review

The empirical review section is based on the objectives of the study which involve determining the relationship between factors staff competency, financial resources, information technology and planning on procurement performance in organisations.

2.2.1 Information Technology and Procurement Performance

The strength of a firm's information technology infrastructure determines the success rate at which it achieves its goals and objectives. Internet, one of the basic but crucial information technologies plays a paramount role in the management of stores (Lyson, 2006).

Information technology can assist firms in every sector to not only improve efficiency but also enable managers make effective decisions, collaborate as work groups, increase flexibility in working, enhance effectiveness in stores operations thus improving competitiveness in the ever-changing business environment. Firms can leap the benefits of IT by introducing it in areas such as customer relations, money transfer, payroll management, e-commerce and product development and promotion. It is clear that internet-based technologies have now become a key ingredient in firm's success in the ever-competitive business environment (Lenard, 1995).

There is need for the management to understand the significant role played by IT in the achievement of organizational goals. This way, they will be able to ensure that information technology is full adopted and utilized by the firm so as to help in the achievement of the plans of the organization (Kelle, 2014).

IT has been touted as one of the key strategy components that can make a firm competitive in the market. The application of IT in customer relationship management will see increased quality of customer service. This means that both the firm and its customers enjoy the positives of IT

Since Information Technology keeps evolving so is the firm's strategy. This has been clearly illustrated by internet which has significantly affected the way firms perform their value chain activities (Goldsby, 2005). A good example is how internet has helped firms streamline their incoming and outgoing logistics activities for products which can be digitized (Lenard, 2005).

Information technology is key in enhancing operations in both private and public sector and enhanced decision making. As regards stores management, there is a significant paradigm shift in how stores operate (O'Brien & Marakas 2006).

Innovation has played a very significant role in the business sector in the 21st century. This innovation has brought forth electronic devices which are now the supply chain fuel of the firms engaged in food processing .It is important to note that it is supply chains that compete and not the parent firms and there adoption of various technologies will enhance the firm's competitive advantage in the ever changing business environment thereby determining which firm is to succeed and which one is to fail (Narasimhan, 2000).

A reduction in waste of resources in public sector firms has been achieved through the use of electronic devices that include global position systems (GPS), Radio-Frequency Identification (RFID). For example ,not only has Radio-Frequency Identification has enabled firms in the food industry to undertake inventory tracking with the aim of ensuring that they get to destination, it has it has also helped to achieve a reduction in stock-outs and ensured deliveries are received on time. The use of this technology is also associated with savings in operations and capital because of improved security, inventory management and productivity (Orodho, 2004).

Through information technology, it is now possible to measure the temperatures of products. This is of great significance to firms in the food processing industry that deal with perishable products. For instance, it is possible to monitor the quality of a perishable product moving through the distribution channel to ascertain their quality. If the temperatures are above the set standards then a decision will be made regarding pricing, use or even whether to return it to the producer so that the firm does not incur financial losses (Phillips, 2003).

The telecommunications sector has reaped a lot form the adoption of information technology by enjoying lower costs of operation. This has also helped firms in this industry to be able to meet customer expectations in terms of demand. There is however a difference in technologies adopted by firms due to differences in the type of products the firms produce and a firm seeking to remain competitive has to bear this in mind (Reid, 2007).

The most paramount consideration is to ensure that new products are aligned to new technologies. This is because of the difficulty associated with forecasting customer demand when it comes to new products. It will be prudent for public sector firms to go for an IT model that not only monitors the sales and buying habits of consumers but also helps in demand forecasting. The IT model may not be the only way of minimizing costs but it will be of paramount importance in terms of capturing attributes close to the heart of the customers (Schroeder, 2010).

2.2.2 Planning and Procurement performance

Procurement planning entails the laying down of details and documentation requirement for the execution of the procurement activities of the organisation. Through these plans organisations are bale to align their resources for the strategic procurement of organisational inputs (Basheka, 2008).

A study by Miriti (2016) examined the factors affecting procurement planning in state corporations in Kenya with a focus on Kenya Pipeline Company limited. The study adopted a case study research design. The study focused on the middle level managers add procurement officers. The data used both primary and secondary data. The researcher established that inadequate management support is an impediment of procurement planning at the Kenya pipeline. The study concluded that to improve the performance of the procurement function, there is need for the management to actively participate in the preparation and execution of procurement planning

Simmillary, Makau (2014) studied the challenges facing use of e-procurement by state owned enterprises in Kenya with a focus on the Nairobi Water and Sewerage Company limited. The researcher utilized descriptive research design and a target population of 129 respondents. Further, the study adopted a questionnaire to gather the data from a sample of 38 respondents obtained through stratified random sampling. The researchers established that inadequate procurement planning is one of the factors affecting adoption of e-procurement in state corporations

Kihara, Bwisa and Kihoro (2016) assessed the role that planning plays in the implementation of strategies and also the performance among manufacturing SMEs in Thika, Kenya. The study used self-administered questionnaires which were administered to a sample of 115 firms in Thika Sub-County in Kenya. Using a mixed research design that considered both quantitative and qualitative designs, the study established a positive and strong association which was significant between technological adoption and the strategy implementation process. The study then concluded that planning is a major driver that influences successful implementation of strategies hence SMEs performance in Kenya.

Mwawasi et al. (2013) determined the factors affecting operational strategies implementation among non-governmental organizations in Kenya and found that availability, effective adoption and use of information technology affected the implementation of operational strategies in non-governmental organizations in Kenya. IT is not only crucial in strategy making but also very crucial in its implementations (Ansari, 2013). Adoption of the new technology and using it in implementation of strategies make the implementation process easier thus no resource in the organization will be burdened. Information technology increases the productivity and efficiency of the organization through easing the work to be done n shortening the lead time.

Mogoi (2015) assessed the effect of planning on strategy implementation at the Nairobi County Government, Kenya. The study adopted a case study research design. The study focused on the middle level managers, the IT officials and other employees. The data used both primary and secondary data. The researcher established that planning is key to successful strategy implementation. The study concluded that to improve the competitiveness in strategy implementation and management process, there is a need for the management to ensure that procurement planning is undertaken upfront.

Messah and Mucai (2012) examined the factors affecting procurement plans implementation among government tertiary institutions and established that institutional policies had a weak influence on procurement plan implementation in government tertiary institutions. According to Power (2012), well laid procurement plan can be beneficial in in many ways. These include; demonstrating good faith and fair treatment to suppliers; helping the suppliers understand what is expected of them in terms of performance and standards; act as means of communicating to new suppliers; set rules and guidelines for decision-making especially in routine situations. All of

which enhance firm operational performance. However, there is limited empirical literature on how procurement plans affect the performance of the procurement function a gap in knowledge that this study seeks to fill.

2.2.3 Staff competency and procurement performance

The ability of employees to apply knowledge and skills learnt with the aim of successfully execution organisational functions is want constitutes their competency (Baron,1995). Numerous studies have been done to highlight the impact of staff competence of the performance of various organisational functions. For instance, Aketch &Karanja (2013) examined the impact of staff competence on the performance of human resource functions in organisations in the public sector. The study was descriptive in nature and utilized a target population of 120 respondents. Through simple random sampling,42 respondents were selected for to the study. The researcher utilized questionnaires to collected data from the respondents which was analyzed using inferential and descriptive statistics. The study revealed that staff competence is of paramount importance in the enhanced performance of human resource functions.

In another study, Kinyanjui (2017) evaluated the factors affecting the performance of public procurement in parastatal organisations in Kenya. The study used descriptive research design and a sample of 39 respondents was selected from a target population of 130 management level staff. The researcher utilized questionnaires to collected data from the respondents which was analyzed using inferential and descriptive statistics. The study revealed that staff competence is key in enhanced performance of the procurement function in state owned enterprises. The study recommended for the continuous training of employees if the exchequer is to get value for money from any purchasing activities of the government.

Similarly, Owino (2016) evaluated the impact of staff competence on strategy implementation in the public hospitals in Kenya with a focus on Kenyatta national Hospital. The study used descriptive research design and a sample of 42 respondents was selected from a target population of 420 management level staff. The researcher utilized questionnaires to collected data from the respondents which was analyzed using inferential and descriptive statistics. The study revealed the performance of the procurement function is affected by the level of training of staff. The

researcher made recommendation that the hospital management needs to continuously training procurement staff

The purpose of providing training to worker is to improve performance and their productivity levels. Training can be said to refer to a change in skills related to one's job or short-term learning that related to an employee's current work(Lawrie,1990) .It has been establish from research that skills, knowledge and employee attitudes that are in tandem with present job requirements are attained through job training .Training can be done at the place of work or outside the work .it can also be planned or unplanned(Sredl, 2000). It is evident that no form of human capital investment that supersedes job training. This concept has been well articulated by the human capital theory which emphasizes the importance of investing in human capital through training, provision of adequate health facilities to staff etc(Sredl, 2000)

One of the most important investments in human capital is training and education. Higher earnings and increased output are positively linked to an increase in an individual's skills and knowledge .There exists a direct relationship between investment in traing and increase in wages. This probably best explains why trained staff is paid higher than untrained staff (Lengermann, 1999). Employees with requisite technology training are becoming scarce. These has occasioned companies to work towards maintaining high technology knowledge backup by training their current staff .These has also helped the firm to catch up with the fast paced changing technology in the business world and staying as current as possible (Cataldo, 2000).

Training is gaining prominence in any organisation seeking to achieve its goals and attain completive advantage. Serious debate among professional has focused on how training contributes to not only goals of the employees but also those of the firm. Whereas one position is that training is the main cause of labour turnover in organisations, another school of thought maintains that training enhances employee retention and ensures that the organisation is able to achieve its set goals. Currently ,a number of organisations have started embracing training ass a source of competitive advantage but it is of great importance if employers are able to clearly understand how training needs to be done and how it contributes to the attainment of organisational goals (Coyle, 2003).

The level of training in an organisation not only increases with the size if the firm but also there is evidence pointing to the fact that there exists a relationship between training, performance of the firm and reduced turnover. It is also indicated that firms experiencing high levels of turnover tend to engage more and more in training. Evidence drawn from the textile industry in South Africa showed that clothing entrepreneurs who had engaged or undertaken training were more successful in their businesses (Rogerson, 2000). This is an agreement with the position that training in entrepreneurship provides required skills for the promotion of business and facilitation of economic growth (Davenport, 2013).

Training entrepreneurs helps in equipping them with skills in management and how locate their competitive advantage so that they are able to compete favorably in the ever changing business environment. It helps the managers to not only design strategies for improved performance but also achieve their potential. When done extensively to small and medium enterprise managers, it serves the great role of solving the problem of rising unemployment in developing countries (McCormick, 2006)

2.2.4 Financial resources

Financial resources refer to the monetary resources that an organisation needs to run its affairs and meet its obligations as and when they fall due. Most organisations seek to allocate this resource efficiently for purposes of enhanced profitability. This is done with the considerations that resources are scarce and the larger extent determine the competitive advantage of the firm (Shantanu et al, 2012).

A study by Ouma (2014) examined the factors influencing the procurement process in public sector organisations with a focus on Kenya Power and lighting Company. The study adopted descriptive research design and utilized a target population of 120. Using a stratified random sample,36 respondents were select from the study. The study findings indicated that the adequacy of financial resources affected the procurement process in the public sector. The study recommended for the need for the government through the treasury to avail resources in time for the smooth execution of the procurement function.

The relationship between adequacy of financial resources and lead time in the purchasing process has examined by various researchers for instance Rad and Yarmohammadian (2006) examined the how the financial strength of the supplier influences the lead time at the Isfahan University Hospitals in Isfahan, Iran. The study data was collected using questionnaires from 814 employees who were chosen using a stratified random sampling technique. The employees included the first line, middle and senior managers. The researchers established that the financial resource stability of the supplier influences the time it takes for suppliers to meet buyer requests. The study also found that the hospital employees' procurement staff were less satisfied with the allocation done by the management. The study further established a significant relationship between the prudent use of financial resources and quality of goods procured. The study thus recommended that top managers should ensure that the procurement department is adequately funded for quality purchases

The relationship between resources and purchasing performance has been reviewed by various researchers for instance Giri and Kumar (2010) assessed the impact that organizational resources has on procurement performance. The study used data from 380 employees who were working at different managerial levels in various organizations in India. The study established that organizational resources had a significant effect on purchasing performance. The study thus concluded that the performance of the purchasing function among Indian organizations is dependent on resource abundance of the organizations.

Jacobs and Chaves (2015) evaluated the effect that internal resources have on supply chain integration. Using data from 214 China based manufacturers, the researchers established that internal resources have a significant positive effect on purchasing performance. The study also established that staff competence partially mediates the relationship between internal resources and supply chain integration. However, none of the studies focused on the relationship between resources and performance of the procurement function in public sector organisations in Kenya.

A company that well understands its costs will certainly be aware of its price floors (DeSanctis,2004).additionally if the firm is seeking to maximize profit or market penetration then information on what value customers derive from the product and how competitors are

likely to react in case the firm adopts the new price should be available. The firm can also seek the help of technology so as to be able to reduce its prices from the cost reduction perspective.

Firm resources involve a set of possessions and abilities which can be either tangible or intangible and can enable the firm run its operations smoothly. Chimhanzi and Morgan (2005) define resources as center capabilities or possessions that can add to the competitive advantage of the company. Firm resources are described as the principles or building blocks of strategy. Availability and allocation of resources is one of the basic activities in strategy implementation. Resources, both financial and non-financial are crucial in the implementation of competitive strategies. Resources such as time are important resources that many organizations overlook. Organizations should ensure that there is enough time to see the strategy throughout its implementation. Firms have four man types of resources that can be used to achieve firm desired objectives. These are financial, human, physical and technological resources (David, 2009). Lack of or inadequate resources can hinder the implementation of strategies to a large extent. According to Thompson, et al. (2010), resources such as human resource play a critical role in the designing and administration of strategic plans in an organization.

Messah and Mucai (2012) examined the factors that affect the implementation of strategic plans in government tertiary institutions and established that allocation of resources determined the success of strategy implementation in government tertiary institutions. Mwawasi et al. (2013) examined the factors that affect implementation of operational strategies in non-governmental organizations in Kenya and found that availability and effective resource allocation affected the implementation of operational strategies in non-governmental organizations in Kenya. A study by Abdalla (2014) determined the factors affecting the implementation of strategy at the Oilibya Kenya Ltd.

Using a descriptive study design and a sample of 17 secondary schools in Uriri District, Owino and Oloko (2015) set out to assess implementation of strategic plans and it was found out that the variability of resources affected the implementation of strategic plans in public secondary schools in Kenya to a large extent. The study also established that the schools that were reviewed were able to achieve high strategy implementation levels due to the school managers receiving training and developing skills on use of finances and other resources in effective strategic

planning. The researcher then recommended that school managers should be trained on use of finances and other resources so as to effectively manage strategic planning in schools.

Gatungu (2016) examined the factors affecting competitive strategies' successful implementation among coffee cooperative societies in Nyeri County in Kenya and found that internal factors such as availability of intellectual resources greatly influence competitive strategy implementation.

Kagumu (2016) examined organizational factors that influence strategy implementation in the Anglican Church, Kirinyaga Diocese in Kenya. The researcher sought to establish the influence of factors such as resource availability, culture, church structure and leadership on strategic plans implementation. The study employed both primary and secondary. The researcher used semi-structured questionnaires, annual reports and other documented materials such as the strategic plans. The researcher established that resources availability and allocation is the main factor that influences strategy implementation at the Anglican Church of Kenya Kirinyaga Diocese followed by other factors such as leadership, church structure and culture.

Obeidat, Al-Hadidi, Tarhini and Masa'deh (2017) examined the factors affecting implementation of strategies in pharmaceutical companies in the Middle East. The study used self-administrated questionnaires to collect data from employees responsible for implementation of strategies in 17 pharmaceutical companies. The study established that four factors which affect implementation of strategies among pharmaceutical firms include; availability of resource, firm communication, feedback and firm operational planning and control. The researchers suggested that resource availability is the most influential factor that affects strategy implementation in pharmaceutical companies followed by other factors such as control and feedback, then by communication.

2.3 Summary and Research Gaps

The strength of a firm's information technology infrastructure determines the success rate at which it achieves its goals and objectives. Internet, one of the basic but crucial information technologies plays a paramount role in the management of stores (Lyson, 2006). Since Information Technology keeps evolving so is the firm's strategy. This has been clearly illustrated by internet which has significantly affected the way firms perform their value chain activities

(Goldsby, 2005). A good example is how internet has helped firms streamline their incoming and outgoing logistics activities for products which can be digitized (Lenard, 2005). Information technology is key in enhancing operations in both private and public sector and enhanced decision making. As regards stores management, there is a significant paradigm shift in how stores operate (Michael and Hoskisson, 2007). This study will endeavor to establish the contribution on staff competence, procurement planning, information technology and financial resources on procurement performance in public sector organisations with a focus of National Housing Corporation

2.4 Conceptual Framework

Conceptual framework gives a summary of the study structure. This study's conceptual framework is given by the dependent and the independent variables. The dependent variable is the performance pf procurement function in the service sector. The independent variables on the other hand include the factors that affect procurement which include; staff competency, procurement planning, financial resources and information technology.

Independent Variables **Dependent Variable**

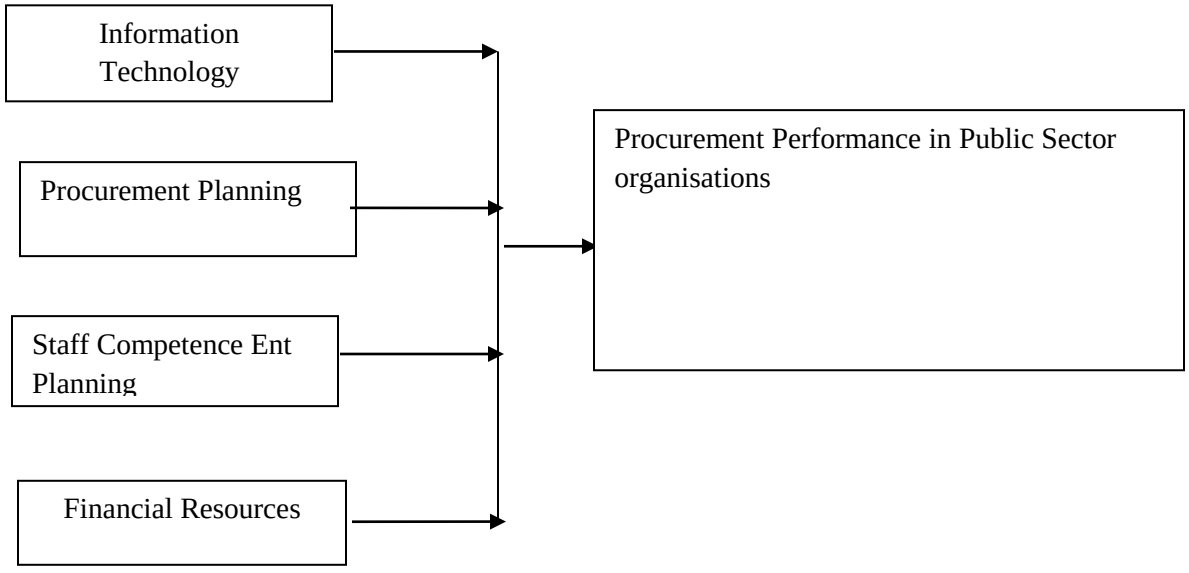


Figure 1 : Conceptual Framework

2.5 Operationalization of Variables

The various variable that include staff competency, procurement planning, financial resources and information technology that will be used in this this study will be operationalized as explained below

2.5.1 Information Technology

The strength of a firm's information technology infrastructure determines the success rate at which it achieves its goals and objectives. Internet, one of the basic but crucial information technologies plays a paramount role in the management of stores .Information technology can assist firms in every sector to not only improve efficiency but also enable managers make effective decisions, collaborate as work groups, increase flexibility in working, enhance effectiveness in stores operations thus improving competitiveness in the ever changing business environment.

2.5.2 Procurement planning

This is a process that elaborates the resources documents and other inputs need by a given department or organisation. In entails the time of requisition and resources availability.

2.5.3 Staff Competence

Involves knowledge and skills application so as to meet desired objectives with the level of excellence that is required

2.5.4 Financial Resource

Budgetary constraints can lead challenges facing procurement process. This therefore calls for the procurement managers to seek for adequate finances to sustain their procurement activities and processes. Finance is concerned with the process institution involve in the transfer of money

between individual business and government. Finance is concerned facilitating enforcement of procurement rules and regulations within the organization without it organization can prosper in the enforcement of procurement rules and regulations.

2.6 Chapter Summary

This chapter reviewed the literature on the factors affecting procurement performance in organisations in the service sector. The chapter commenced with the introduction which was then followed by the study's theoretical review. The empirical section was reviewed according to the study's objectives which involved determining the effect of factors such as; staff competency, procurement planning, financial resources and information technology on procurement performance. The conceptual framework is then reviewed followed by the operationalization of variables and then the chapter summary. The next chapter will outline the methodology that will be used in data collection and analysis.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.0 Introduction

This chapter presents the research design, target population, sample and sampling technique, instruments, pilot study, validity, reliability test, data collection procedure, data analysis and presentation, ethical considerations and chapter summary.

3.1 Research design

A plan that is used by the researcher in seeking answers to research questions is called a research design(Cooper and Schindler, 2013) .The researcher adopted descriptive research design to answer questions concerning the factors affecting procurement performance in public sector organisations (Mugenda & Mugenda, 2009).Descriptive research describes things as they exist presently (Kothari, 2009). Cooper and Schindler (2013) observe that descriptive research is concerned with finding out who, what, where, when and how much. The researcher prefers this research as he would like to report things as they exist at National Housing Corporation.

3.2 Target Population

In research, inferences have to be made on a collection of elements called a population (Cooper and Schindler, 2013). Additionally, these elements should have observable characteristics that are common .On the other hand, the target population constitutes the population results of the study will be generalized. (Mugenda and Mugenda, 2009). This study target population was 230 employees of National Housing Corporation categorized to as top, middle and lower-level management as shown in table 1

Table 1: Target Population

Category	Number	Percentage
Top Management	20	09
Middle Management	80	35
Lower Level Management	130	56
Total	**230**	**100**

Source: National Housing Corporation Human Resource Department (2025)

3.3 Sample and sampling technique

The process of selecting individuals from the accessible population is called sampling. This is necessary because the available time and resources cannot permit the research to engage the entire population (Mugenda & Mugenda, 2009). This study utilized stratified random sampling because the population from which the sample was drawn was heterogeneous. First, the population was organized into subpopulations or strata and then sample items are drawn from each stratum to form the final sample. Selection of sample items from each stratum may be done randomly. Descriptive studies require a sample size of between 10% and 30% of the target population (Kothari, 2014). This study therefore used of a sample size of 46 respondents representing 20% of the target population as shown in table 2

Table 2: Sample size

Population Category	Target Population	Sample size	Percentage
Top Management	20	04	09
Middle Management	80	16	35
Lower-Level Management	130	26	56
Total	**230**	**46**	**100**

Source: National Housing Corporation Human Resource Department (2025)

3.4 Instruments

The use of questionnaires in data collected is considered appropriate when one is interested in obtaining information about given subjects. The development of this instrument is guided by the themes highlighted in the study objectives (Kumar, 2010). Most researchers go in for structured questionnaires because they ensure consistency of question and answer from the respondents. Most respondents find questionnaires ideal due to anonymity and convenience. The researcher used structured questionnaires as a data collection tool which will comprise both open and closed ended questions. This is because questionnaires are easier to administer, analyze and saves time and money.

3.5 Pilot Study

Vague questions and unclear instructions in an instrument can be detected through a pilot study. It also helps enhance instrument efficiency through inclusion of any suggestions put forth by the respondents. A pilot study on tenth of the sample size is recommended for descriptive studies. In this study, a Pilot study involving five employees not included in the sampled population was done. This represented approximately a tenth of the total sample. (Mugenda and Mugenda, 2009). The outcome of the pilot study was used to test the validity and reliability of the research instrument (Sekaran, 2015)

3.5.1 Validity

The degree to which data collected captures the contents of the concept under study is called validity. Validity can be measured using the input from experts in the particular aspect under study (Mugenda and Mugenda, 2012). The researcher approached the research supervisor for the alignment of the instrument items to the concept under study. His suggestions assisted in enhancing the suitability and relevance of the questionnaire items thus improving the content validity of the data obtained from the respondents

3.5.2 Reliability test

It is important for the instruments to be used in the study to be consistent. That is, be able to obtain same data from different sets of the same population (Best & Kahn, 2014). The Cronbach's alpha reliability coefficient for the independent variables is normally computed to

ascertain the reliability of the instruments. Generally, a coefficient of over 0.8 is considered good. The Cronbach coefficient for the study was estimated to be 0.83 meaning that the instruments are reliable (Sekaran 2015)

3.6 Data collection procedure

After getting introductory letter from MUA, the researcher informed the management of National Housing Corporation of her intention to collect data from the organization's employees for purposes of research. Upon getting consent to proceed with the research by the HR manager, a date was agreed upon during which the questionnaires were to be distributed personally by the researcher. Given the prevailing situation of Corona Virus pandemic and a requirement of social distancing, it was agreed with the respondents to have the questionnaires distributed to them via email and WhatsApp. The filled questionnaires were returned to the researcher via the same means for analysis

3.7 Data Analysis and Presentation

The need to have all questionnaires checked for completeness and consistency is of paramount importance. After that the instruments were coded and data checked for errors and omissions. With the help of statistical package of social sciences, the data will then be analyzed. Given that the study was both qualitative and quantitative in nature descriptive statistics that included frequencies and mean were used. Qualitative data was also analyzed a per the themes of the study and presented in prose form. The computed frequencies and mean were presented in form of tables and pie charts and bar charts

3.8 Ethical Considerations

Ethics has been defined as that branch of philosophy which deals with one's conduct and serves as a guide to one's behavior (Mackinnon, 2011). The purpose of ethics in research is to ensure the researchers conduct research with integrity and do not undertake research for personal gain or research that will have a negative effect on others. In addressing research ethics, the study will concern itself with informed consent, voluntary participation, confidentiality, privacy and anonymity.

3.8.1 Informed Consent

The ethical requirement that the respondents are empowered to participate in the study based on adequate information is referred to as informed consent (Silverman 2002). To achieve this, the researcher clearly explained to the respondents the aim and procedure to be followed in the study. This was to give the respondents adequate information for them to decide whether to willingly participate in the study or not

3.8.2 Voluntary Participation

The researcher ensured that respondents participated in the study willing without any form of coercion. The decision to participate in the research should not arise from any undue influence. However, a small monetary reimbursement for any expenses incurred is allowed. The participants were informed of their freedom to withdraw from the research at any stage (Trochim, 2006).

3.8.3 Confidentiality

Permission was sought from the University (MUA) and National Housing Corporation for purposes of facilitating the collection of data. This helped in guaranteeing the participants of their confidentiality as the transmittal letter attached to the questionnaires assured them that information provided was to be used only for academic purpose. A copy of the final report will be shared with the management as the findings of the study will be of great benefit to their performance.

3.8.4 Privacy

The privacy of respondents will be upheld by ensuring that no respondents can be identified through their responses to the questionnaires or interview. The study will therefore use codes and Pseudonyms so as to protect the identity of the respondents

3.8.5 Anonymity

In observing anonymity, the researcher is not supposed to give out details of the participant that may lead to disclosure of their identity. Such details may include cultural background and ethnicity (Mugenda, 2009). Coding of respondents was done so as to protect their identity. The respondents were not required to write their names on the questionnaires. This ensured that the respondents are not identified through their responses

3.9 Chapter Summary

The study research methodology that encompasses study design, target population, sample size, data collection instruments, validity and reliability, data collection procedure, data analysis and presentation and research ethics have been discussed in this section.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSION

4.0 Introduction

This section involves the discussion and presentation of the study findings as regards factors affecting procurement performance at National Housing Corporation. Data was obtained from the respondents using questionnaires and analyzed as follows;

4.1 Presentation of Research Findings

4.2.1 Response Rate

Table 3: Response Rate

Category	Sample Size	Percentage
Response	39	84.7
Non-response	7	15.3
Total	**46**	**100**

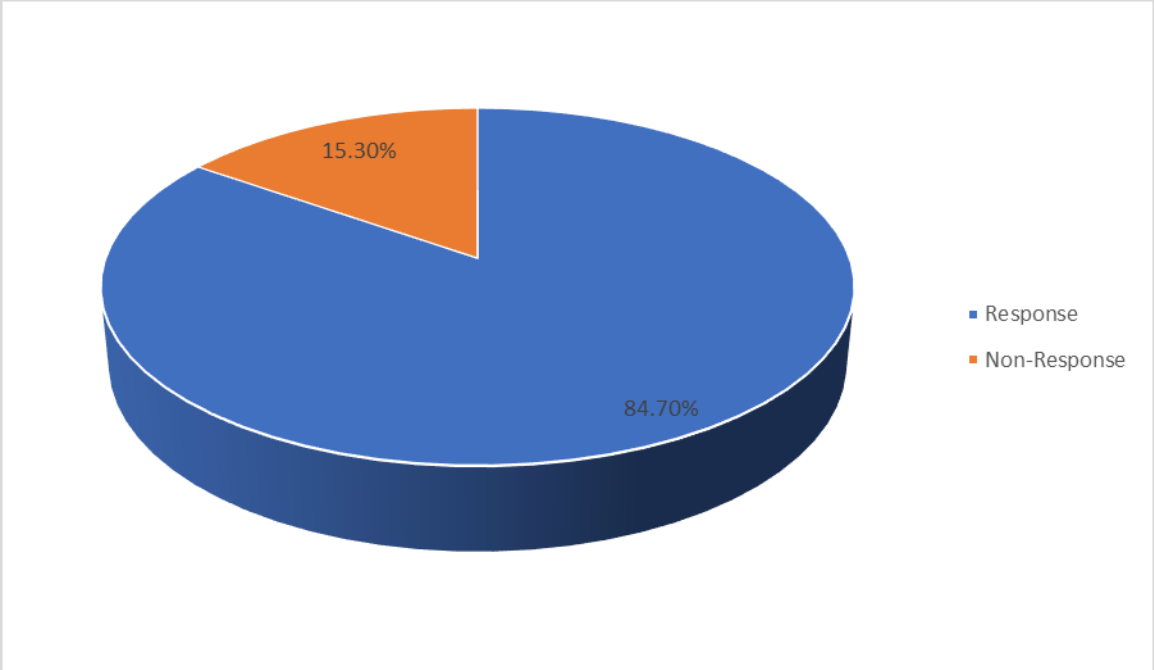


Figure 2: Response Rate

According to table 3 and figure 2 above, 84.7% of questionnaires were returned completely filled whereas 15.3% were not returned. Response rate of 50% gives green light for data analysis because it is considered adequate, more than 60% is rated good and above 70% rated excellent. The response rate for this study was 84.7% thus considered as excellent (Mugenda&Mugenda, 2012). This therefore allowed for data analysis to be commenced for purposes of writing the final report.

4.2.2 Gender of the Respondents

The study sought to establish the gender of the respondents involved in the study. The data obtained from the respondents is as summarized in figure 4.1

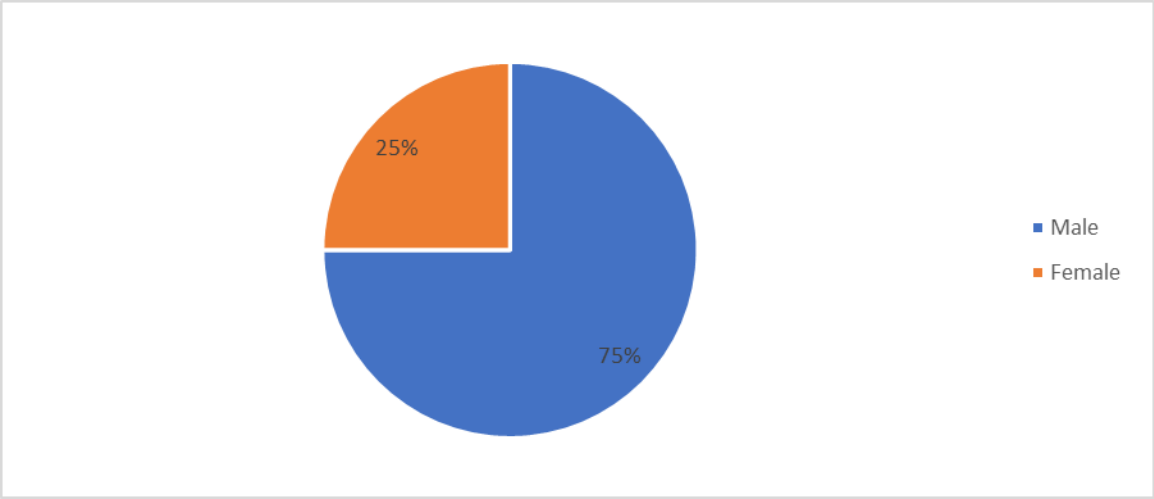


Figure 3: Gender of respondents

From the data summarized in figure 3, 25% of the respondents were female whereas 75% were male.

4.1.3 Age of Respondents

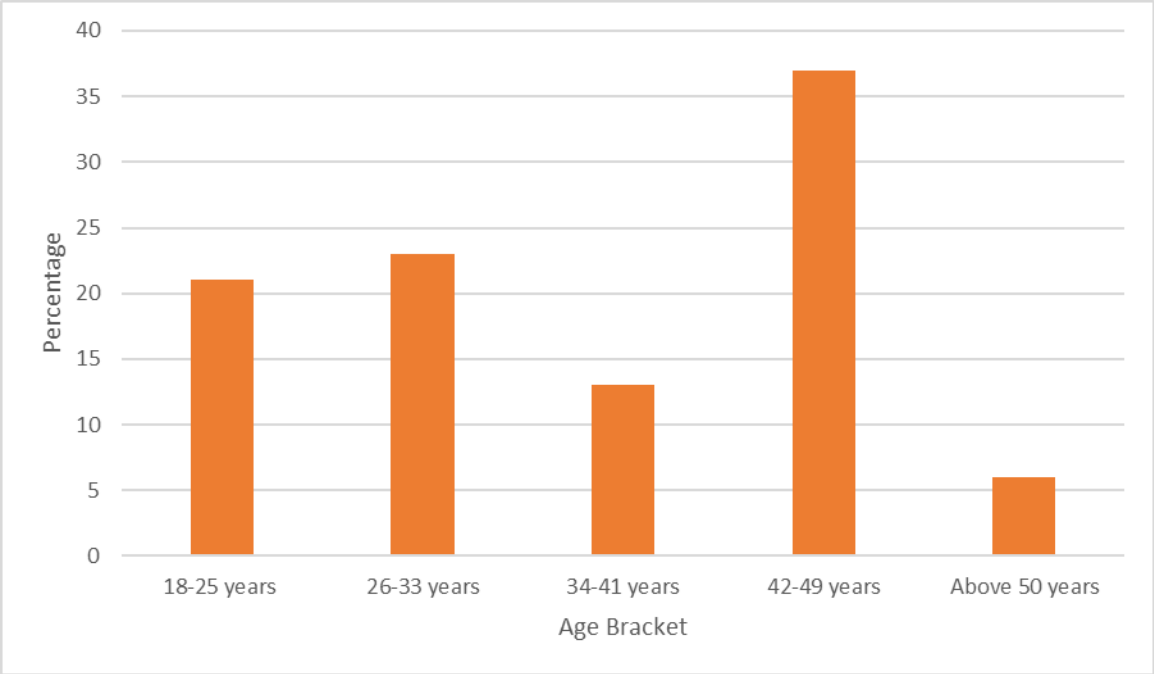


Figure 4: Respondent's Age

According to figure 4 majority of employees were between 42 - 49 years of age at 31%. They were followed by employees that were between the ages of 26-33 years at 23%. The age bracket between 18-25 years was 21% as represented by the questionnaires. The age bracket between 34-41 years was 13% and above 50 years were 6% respectively. This showed that data gathered reflected views from different age limits of respondents.

4.1.4 Education Level

Table 4: Highest Level of Education

Levels of Education	Frequency	Percentage
Certificate	02	05
Diploma	06	15

Graduate	23	59
Post graduate	08	21
Total	**39**	**100**

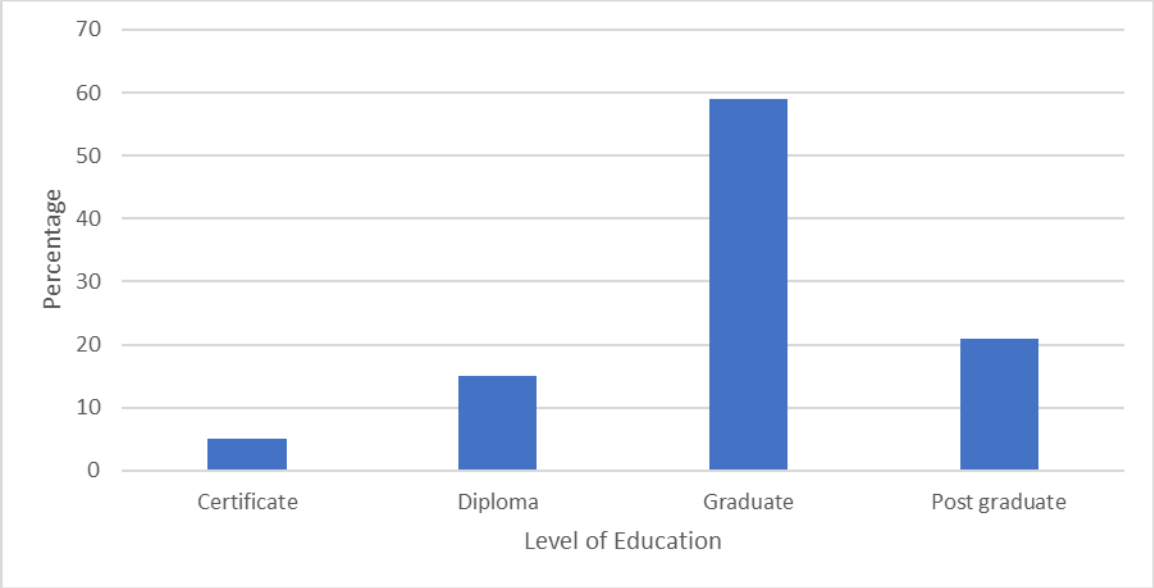


Figure 5: Level of Education

According to table 4 and figure 4.4 05% of the respondents hold certificate qualification,15% hold diploma,59% are graduates and 21% have a post graduate qualification. The levels of education of the respondents were adequate enough to enable them respond to the questionnaire items.

4.1.5 Working Experience

Table 5: Working Experience

Years of Working	Frequency	Percentage
Less than 3 years	07	18
3 - 5 years	08	21
6 - 8 years	07	19
9 - 11 years	06	15
Above 11 years	11	27

Total	**39**	**100**

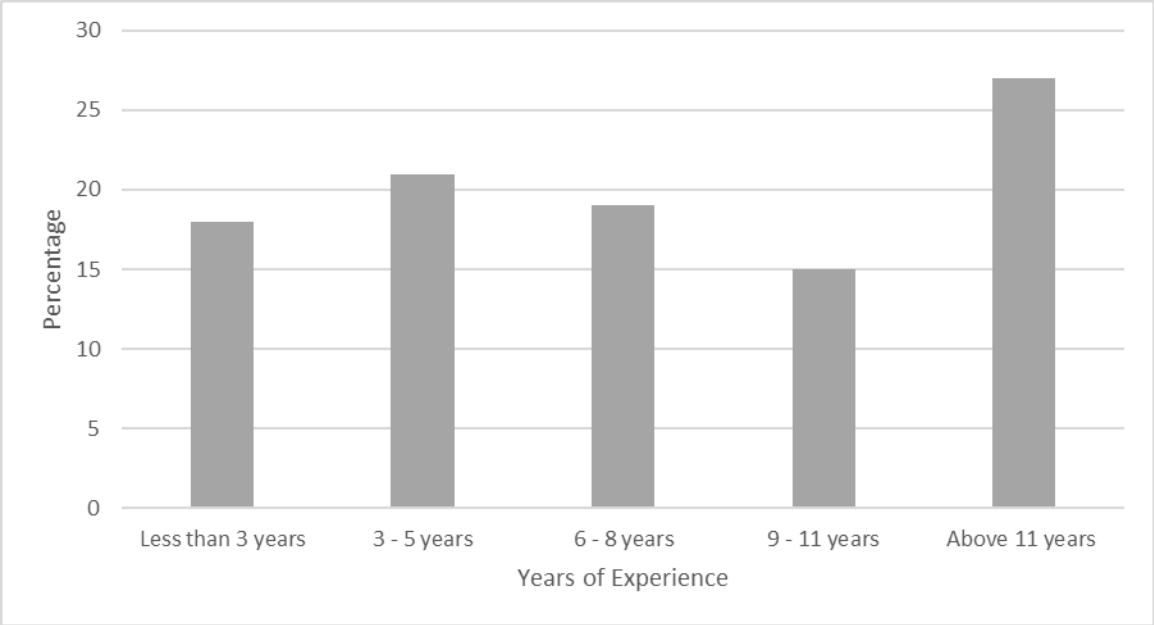


Figure 6: **Working Experience**

Table 5 and figure 6 indicated that 18% of the respondents said they had worked in organization for less than 3 years, 21% have worked in organization for a period of 3 - 5 years and 9 -11 indicated 15% while above 11 years was represented by 27%. From the analysis it can be concluded that most of the respondents have worked in the organization for a period of above 11 years. This shows that the employees had varied long experience in working at National Housing Corporation.

4.1.6 Information Technology

Table 6: **Effect of information technology on procurement performance in public sector organisations in Kenya.**

Responses	Frequency	Percentage
Yes	36	92
No	03	8
Total	**39**	**100**

According to table 6.92% of the respondents showed that information technology affect procurement performance in public sector organisations in Kenya while the rest of 8% employees stated that information technology does not affect procurement performance in public sector organisations in Kenya. From the analysis it can be concluded that information technology affect procurement performance at National Housing Corporation.

4.1.7 Information technology

Table 7: Extent to which information technology affect procurement performance in public sector organisations in Kenya

Responses	Frequency	Percentage
Great extent	16	41
Moderate extent	11	28
Low extent	04	10
No effect	08	21
Total	**39**	**100**

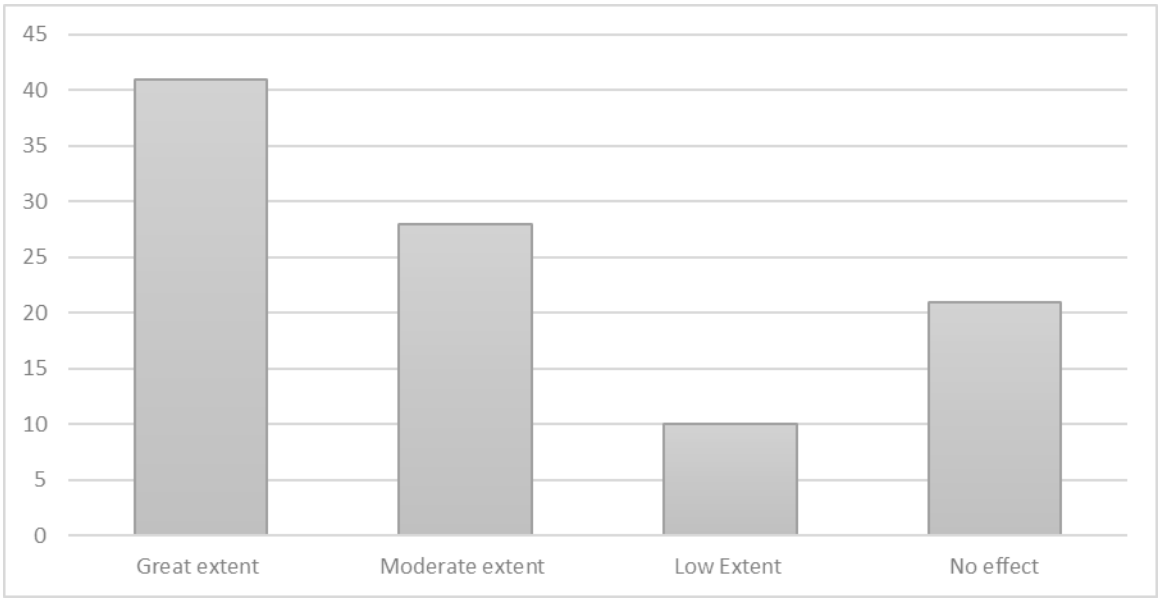


Figure 7: Extent to which information technology affect procurement performance in public sector organisations in Kenya

According to table 7 and figure 7 indicated the extent to which information technology affect procurement performance in public sector organisations in Kenya where by 41% of the respondents indicated great extent, moderate extent was represented by 28%, 10% indicated Low extent while no effect was represented by 21%. From the finding it can be concluded that information technology affects procurement performance in public sector organisations in Kenya at very large extent.

4.1.8 Planning

Table 8: Effect of planning on procurement performance in public sector organisations in Kenya.

Responses	Frequency	Percentage
Yes	34	87
No	05	13
Total	**39**	**100**

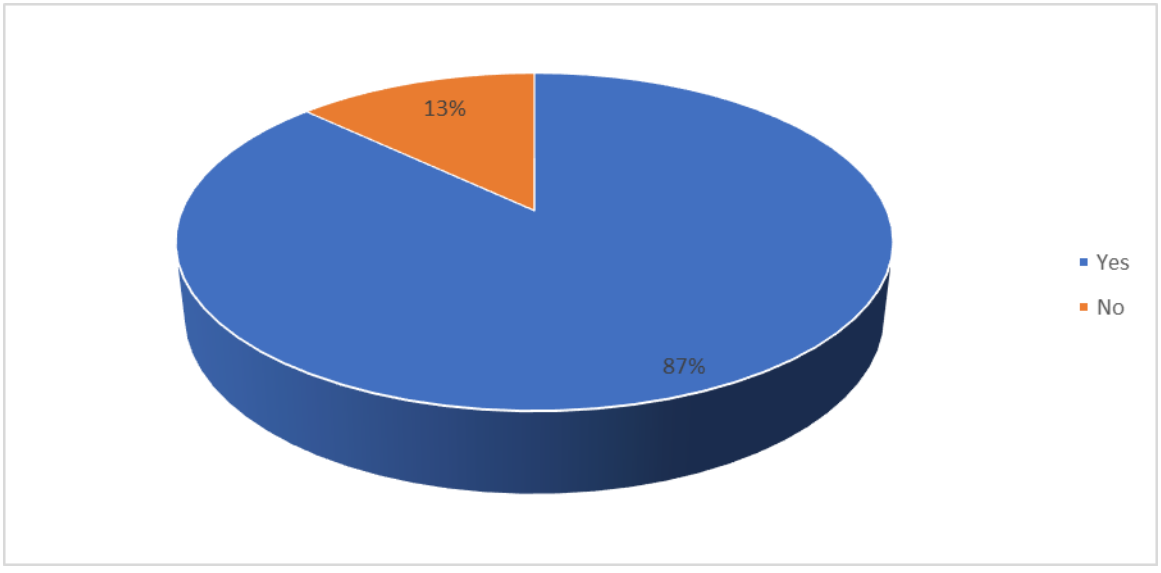


Figure 8: Effect of planning on procurement performance in public sector organisations in Kenya.

According to table 8 and figure 8 indicate the effect of planning on procurement performance in public sector organisations in Kenya whereby 87% of the respondents agreed that it affect procurement performance in public sector organisations in Kenya while 13% of the respondents disagreed that it does not affect it in anyway. From the study it can be deduce that planning affect procurement performance at National Housing Corporation.

4.1.9 Extent to which planning affect procurement performance

The researcher obtained data from the field to ascertain the extent to which procurement planning affects the performance of procurement function at National Housing Corporation. The data obtained was as summarized in table 9

Table 9: Extent to which planning affect procurement performance in public sector organisations **in Kenya**

Responses	Frequency	Percentage
Great extent	17	44
Moderate extent	13	33
Low extent	07	18
No effect	02	5
Total	**39**	**100**

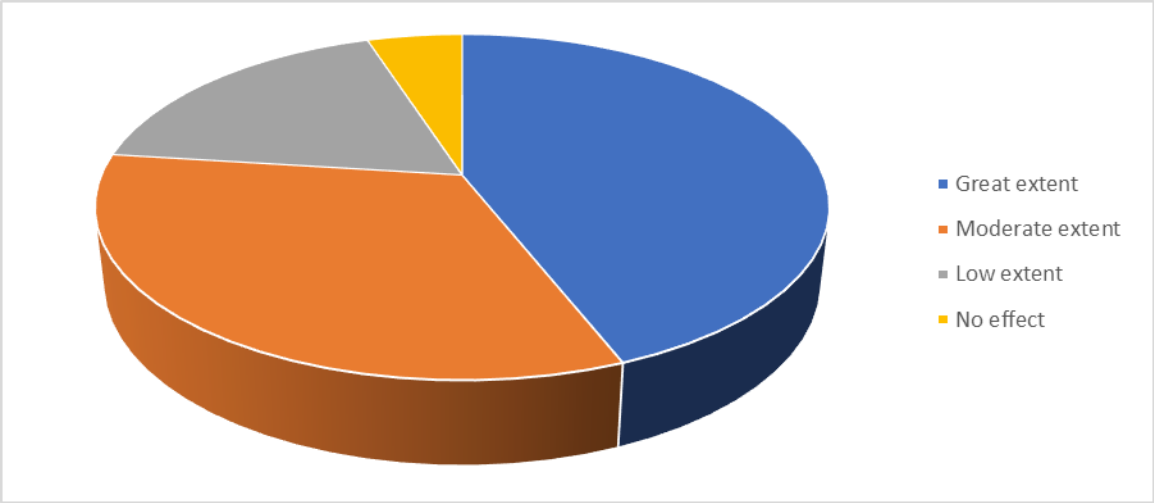


Figure 9: Extent to which planning affect procurement performance in public sector organisations **in Kenya.**

According to table 9 and figure 9 the finding shows the extent to which planning affect procurement performance in public sector organisations in Kenya where by 44% of the respondents indicated great extent, moderate extent was represented by 33%, 18% indicated Low extent while very no effect was represented by 5%. This shows that planning to a very large extent does affect procurement performance at National Housing Corporation.

4.1.10 Staff competence

The researcher obtained data from the field to ascertain whether staff competence affects the performance of procurement function at National Housing Corporation. The data obtained was as summarized in table 10.

Table 10: Effect of staff competence on procurement performance in public sector organisations **in Kenya**

Responses	Frequency	Percentages
Yes	35	90
No	04	10
Total	**39**	**100**

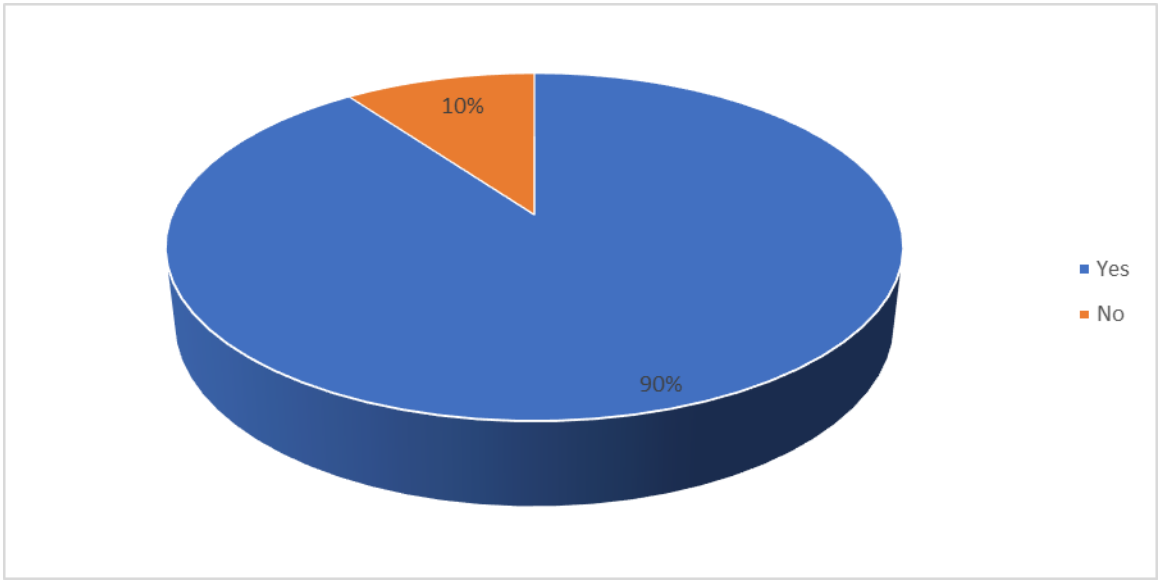


Figure 10: Effect of staff competence on procurement performance in public sector organizations in Kenya.

According to table 10 and figure 10 the finding indicated the effect of staff competence on procurement performance in public sector organisations in Kenya whereby 90% of the respondents agreed that staff competence affect procurement performance in public sector organisations in Kenya while 10% of the respondents disagreed that it does not affect it. It can thus be deduced that staff competence affects procurement performance National Housing Corporation.

4.1.11 Extent to which staff competence affect procurement performance

The researcher obtained data from the field to ascertain the extent to which staff competence affects the performance of procurement function at National Housing Corporation. The data obtained was as summarized in table 11.

Table 11: Extent to which staff competence affect procurement performance in public sector organisations in Kenya.

Responses	Frequency	Percentage
Great extent	13	33
Moderate extent	11	28
Low extent	09	22
No effect	06	17
Total	**39**	**100**



Figure 11: Extent to which staff competence affect procurement performance at National Housing Corporation.

According to table 11 and figure 11 the finding indicated the extent to which staff competence affect procurement performance in public sector organisations in Kenya where great extent was represented by 33%, 28% indicated moderate extent, Low extent indicated 22% while 17% indicated no effect. The findings indicated that staff competence to a great extent does affect procurement performance in public sector organisations in Kenya.

4.1.12 Whether Financial Resources Affect the Performance of Procurement Function

The researcher obtained data from the field to ascertain whether financial resources affect the performance of procurement function at National Housing Corporation. The data obtained was as summarized in table 12.

Table 12: Effect of financial resources on procurement performance in public sector organisations in Kenya.

Responses	Frequency	Percentage
Yes	32	83
No	07	17
Total	**39**	**100**

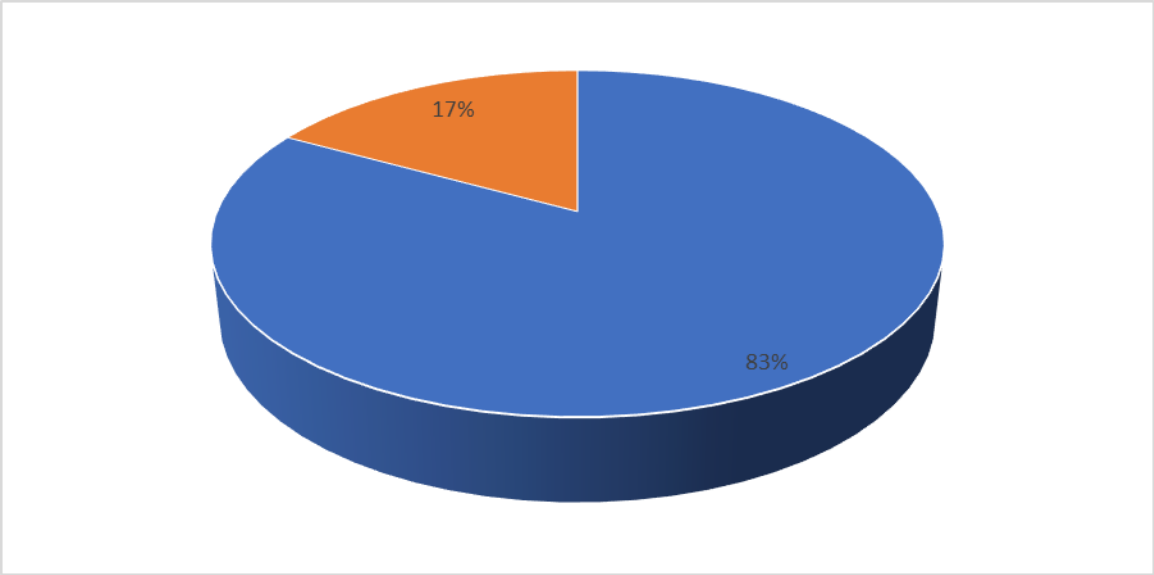


Figure 12: Effect of financial resources on procurement performance at National Housing Corporation.

According to table 12 and figure 12 showed the effect of financial resources on procurement performance in public sector organisations in Kenya whereby it was indicated that 83% of the respondents agreed that it affect procurement performance in public sector organisations in Kenya while 17% of the respondents disagreed that it does not affect it in anyway.

4.1.13 Extent to which financial resources affect procurement performance

The researcher obtained data from the field to ascertain the extent to which financial resources affect performance of procurement function at National Housing Corporation. The data obtained was as summarized in table 13.

Table 13: Extent to which financial resources affect procurement performance in public sector organisations in Kenya.

Responses	Frequency	Percentage
Great extent	16	41
Moderate extent	09	24
Low extent	06	13
No effect	08	22
Total	**39**	**100**

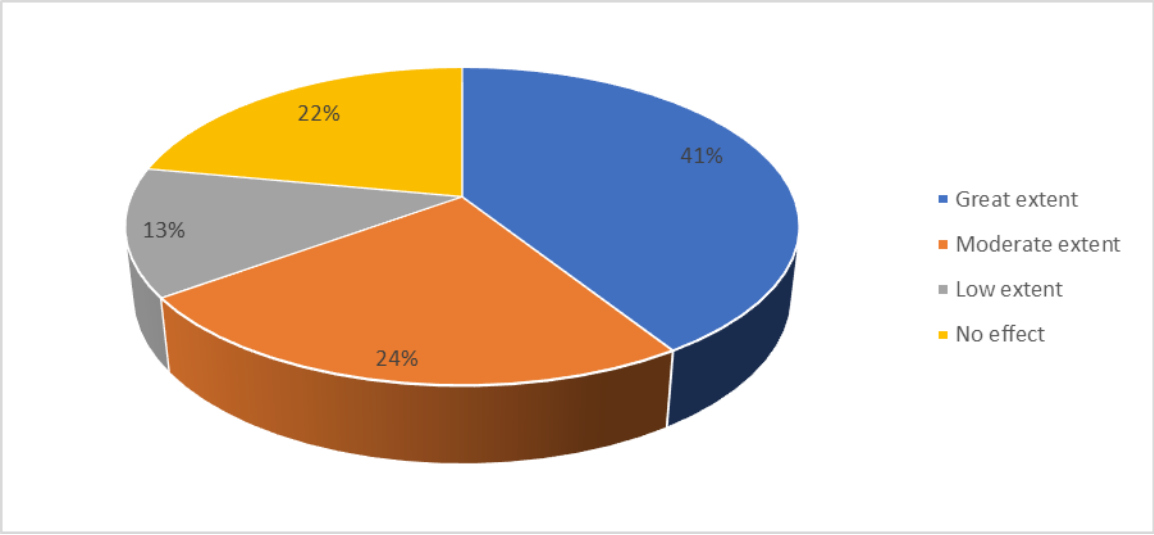


Figure 13: Extent to which financial resources affect procurement performance in public sector organisations in Kenya.

According to table.13 and figure 13 indicated the extent to which financial resources affect procurement performance in public sector organisations in Kenya where 41% of the respondents indicated great extent, moderate extent was represented by 24%, and Low extent indicated 13% while no effect was represented by 22%. This showed that financial resources do affect procurement performance in public sector organisations in Kenya at very large extent.

4.2 Limitations of the study

Some employees feared that the information they gave could be accessed by their supervisors. This affected their willingness to fill all the questions honestly. To mitigate this problem, a cover letter was written to the management and to the specific respondents and the researcher assured them of confidentiality of the information given and that the data was to be used specifically for academic purposes.

The time available for the study was also short as the study was required to submit the project early enough for graduation. It was therefore necessary for the researcher to ask for two weeks leave for purposes of data collection, analysis and report writing

4.3 Chapter Summary

4.3.1General information

Of the 46 questionnaires given to the respondents, 39 of them were retuned. This indicates that 84.7% of questionnaires were returned completely filled whereas 15.3% were not returned. This was considered as excellent and therefore data analysis was commenced for purposes of writing the final report.

4.3.2 Information technology

From the study findings,92% of the respondents showed that information technology affects procurement performance in public sector organisations in Kenya while the rest of 8% employees stated that information technology does not affect procurement performance in public sector organisations in Kenya. From the analysis it can be concluded that information technology affects procurement performance in public sector organisations in Kenya. Further 41% of the respondents indicated great extent, moderate extent was represented by 28%, 10% indicated Low

extent while no effect was represented by 21%. From the finding it can be concluded that information technology affects procurement performance at National Housing Corporation

4.3.3 Procurement Planning

From the study findings, 87% of the respondents agreed that it affect procurement performance in public sector organisations in Kenya while 13% of the respondents disagreed that it does not affect it in anyway. From the study it can be deduce that planning affects procurement performance in public sector organisations in Kenya. Additionally, 44% of the respondents indicated great extent, moderate extent was represented by 33%, 18% indicated Low extent while very no effect was represented by 5%. This shows that planning to a very large extent does affect procurement performance at National Housing Corporation

4.3.4 Staff competence

The study sought to find out the effect of staff competence on procurement performance in public sector organisations in Kenya and 90% of the respondents agreed that staff competence affect procurement performance in public sector organisations in Kenya while 10% of the respondents disagreed that it does not affect it. It can thus be deduced that staff competence affects procurement performance in public sector organisations in Kenya. Additionally, the finding indicated the extent to which staff competence affect procurement performance in public sector organisations in Kenya where great extent was represented by 33%, 28% indicated moderate extent, Low extent indicated 22% while 17% indicated no effect. The findings indicated that staff competence to a very large extent does affect procurement performance in public sector organisations in Kenya at great extent.

4.3.5 Financial resources

The study sough to find out the effect of financial resources on procurement performance in public sector organisations in Kenya whereby it was indicated that 83% of the respondents agreed that it affect procurement performance in public sector organisations in Kenya while 17% of the respondents disagreed that it does not affect it in anyway. The study also indicated the extent to which financial resources affect procurement performance in public sector organisations in Kenya where 41% of the respondents indicated great extent, moderate extent

was represented by 24%, and Low extent indicated 13% while no effect was represented by 22%. This showed that to a very large extent financial resources do affect procurement performance at National Housing Corporation.

CHAPTER FIVE

SUMMARY, RECOMMENDATIONS AND CONCLUSIONS

5.0 Introduction

This section contains the summary of findings for the study, recommendations and conclusion

5.1 Summary of Findings

5.1.1 Information technology

The findings indicated the extent to which information technology affect procurement performance in public sector organisations in Kenya where by 41% of the respondents indicated great extent, moderate extent was represented by 28%, 10% indicated Low extent while no effect was represented by 21%. From the finding it can be concluded that to a very large extent, information technology affects procurement performance at National Housing Corporation.

5.1.2 Planning

The finding showed the extent to which planning affect procurement performance in public sector organisations in Kenya where by 44% of the respondents indicated great extent, moderate extent was represented by 33%, 18% indicated Low extent while very no effect was represented by 5%. This shows that procurement planning to a very large extent does affect procurement performance at National Housing Corporation.

5.1.3 Staff competence

The finding indicated the extent to which staff competence affect procurement performance in public sector organisations in Kenya where great extent was represented by 33%, 28% indicated moderate extent, Low extent indicated 22% while 17% indicated no effect. The findings indicated that staff competence to a very large extent does affect procurement performance in public sector organisations in Kenya

5.1.4 Financial resources

The study finding indicated the extent to which financial resources affect procurement performance in public sector organisations in Kenya where 41% of the respondents indicated great extent, moderate extent was represented by 24%, and Low extent indicated 13% while no

effect was represented by 22%. This showed that financial resources to a very large extent do affect procurement performance at National Housing Corporation

5.3 Conclusions

The finding indicated that 92% of the respondents showed that information technology affects procurement performance in public sector organisations in Kenya while the rest of 8% employees stated that information technology does not affect procurement performance in public sector organisations in Kenya. From the analysis it can be concluded that financial resources affect procurement performance in public sector organisations in Kenya.

The analysis indicated the effect of planning on procurement performance in public sector organisations in Kenya whereby 87% of the respondents agreed that it affect procurement performance while 13% of the respondents disagreed that it does not affect it in anyway. It can thus be deduced that planning affect procurement performance at National Housing Corporation. From the findings it can be concluded that planning is one of the important factors which must be considered by public sector organisations in their procurement processes**.**

The finding indicated the effect of staff competence on procurement performance in public sector organisations in Kenya whereby 90% of the respondents agreed that staff competence affect procurement performance in public sector organisations in Kenya while 10% of the respondents disagreed that it does not affect it. It can thus be deduced that staff competence affects procurement performance

The finding showed the effect of financial resources on procurement performance in public sector organisations in Kenya whereby it was indicated that 83% of the respondents agreed that it affect procurement performance in public sector organisations in Kenya while 17% of the respondents disagreed that it does not affect it in anyway. Based on the finding it is clearly evident that financial resource is a major factor which the organization should take into consideration in facilitating procurement performance in public sector organisations in Kenya.

5.4 Recommendations

Based on the study findings, the study made the following recommendations;

5.4.1 Information technology

The researcher recommends that the management of National Housing Corporation needs to adopt information technology for all its procurement processes. There is need to also train staff and suppliers on the utilization of such technology

5.4.2 Procurement Planning

The management and procurement officers at National Housing Corporation need to ensure that there are adequate plans for every procurement task in the organisation. This helps in adequately forecasting the future procurement needs of the organisation.

5.4.3 Staff competence

The researcher recommends that the management should promote and support training of the staff as management strategies in promoting procurement performance. This study also recommends that the management undertake training needs analysis in order to identify areas that staff requires further training to facilitate procurement performance.

5.4.4 Financial resources

This study recommends that the management should provide adequate financial resources to the procurement and supply chain management department in order to facilitate the adoption of modern procurement technologies and staff training. The organisation needs to put proper controls in place to ensure that the finances are adequately utilized.

5.5 Suggestions for Further Study

This study recommended that a similar study be done in other organisations to compare the findings.

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APPENDICES

APPENDIX 1: INTRODUCTORY LETTER

Dear Respondent,

My name is Billjohn Mwangi Kuria, a student at the Management University of Africa pursuing a Bachelor's degree in Management and Leadership (Purchasing and Supplies option). As part of the requirements for completing my degree, I am conducting a research study on *Factors Affecting Procurement Performance in Public Sector Organisations: A Case of the National Housing Corporation*. I kindly request your assistance in completing the attached questionnaire, which will provide valuable insights for this study. Please note that all the information you share will be treated with strict confidentiality and will only be used for academic purposes related to this research. Your honest responses will be highly appreciated.

Yours Sincerely

Billjohn Mwangi Kuria

APPENDIX II : QUESTIONNAIRE

SECTION (1): GENERAL INFORMATION

1. **Gender**?
   - ☐ Male
   - ☐ Female
2. **What is your age group**?
   - ☐ 18-25 years
   - ☐ 26-33 years
   - ☐ 34-41 years
   - ☐ 42-49 years
   - ☐ 50 and over years
3. **What is the highest level of education you have attained**?
   - ☐ Certificate
   - ☐ Diploma
   - ☐ Graduate
   - ☐ Post graduate
4. **For how long have worked in the present organization**?
   - ☐ Less than 3 years
   - ☐ 3 – 5 years
   - ☐ 6 – 8 years
   - ☐ 9-11 years
   - ☐ Above 11 years

SECTION (4): INFORMATION TECHNOLOGY

5. Does information technology affect procurement performance in public sector organisations in Kenya?
   - ☐ Yes

- ☐ No

6. Explain

……..……

…….……..……13. To what extent does information technology affect procurement performance in public sector organisations in Kenya?

- ☐ Great extent
- ☐ Moderate extent
- ☐ Low extent
- ☐ No effect

SECTION (2): STAFF COMPETENCE

7. Does staff competence affect procurement performance in public sector organisations in Kenya?
   - ☐ Yes
   - ☐ No
8. Explain

……..……

…….……..……

……..……

9. To what extent does staff competence affect procurement performance in public sector organisations in Kenya?
   - ☐ Great extent
   - ☐ Moderate extent
   - ☐ Low extent
   - ☐ No effect

SECTION (3): PROCUREMENT PLANNING

10. Does procurement planning affect procurement performance in public sector organisations in Kenya?

- ☐ Yes
- ☐ No

11. Explain

……..……

……..……..……

……..……

12. To what extent does procurement planning affect procurement performance in public sector organisations in Kenya?

- ☐ Great extent
- ☐ Moderate extent
- ☐ Low extent
- ☐ No effect

SECTION (5): FINANCIAL RESOURCES

14 Do financial resources affect procurement performance in public sector organisations in Kenya?

- ☐ Yes
- ☐ No

15 Explain

……..……

……..……..……

……..……

16 To what extent does financial resources affect procurement performance in public sector organisations in Kenya?

- ☐ Great extent
- ☐ Moderate extent
- ☐ Low extent
- ☐ No effect

The Management University of Africa

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Date: 22nd September, 2025

TO WHOM IT MAY CONCERN

BILLJOHN MWANGI KURIA– ODLBML/29/01527/23

This letter serves to introduce the above named who is a **Bachelors of Management and Leadership (BML)** student and is interested in carrying out research on **The Effects of technological innovations on procurement processes in Kenya: A case study of National Housing Cooperation, Nairobi County.**

Any assistance accorded to him in pursuit of this study will be greatly appreciated.

Yours Sincerely,

DEAN'S OFFICE SML
24 SEP 2025
P. O. Box 29677 - 00100, NAIROBI

Dr. Juster Nyaga

Dean, School of Management and Leadership

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