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PROCUREMENT PRACTICES AND PERFORMANCE OF PUBLIC HOSPITALS IN KENYA: A CASE STUDY OF KENYATTA NATIONAL HOSPITAL

MARY JILLO

ST. PAUL'S UNIVERSITY

A RESEARCH DISSERTATION SUBMITTED TO THE SCHOOL OF BUSINESS AND LEADERSHIP STUDIES IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION (PROCUREMENT AND SUPPLY CHAIN MANAGEMENT) OF ST. PAUL'S UNIVERSITY.

November, 2024.

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DECLARATION

I declare that this dissertation is my original work and as such, it has not been presented to any other institution of higher learning for examination.

Signature:…….. Date ……..

Mary Jillo Mbanrb215419

Word Count: 22,060

APPROVAL

This dissertation has been submitted for examination with our approval as the university supervisors

Sign… …… Date:……

Dr. Mary Kibuine

First Supervisor

Signature:…… Date:…….. …….

Daniel Kimemia Second Supervisor

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DEDICATION

I would like to take this opportunity to appreciate all the people who supported my learning process, especially, the completion of this project. I wish to thank God for the gift of life, care and blessings. My sincere appreciation also goes to my family members for bearing with me and giving me the much-needed support for the entire study period. I am also highly indebted to my fellow students and lecturers for their efforts towards collaboration about time and resource contributions.

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LIST OF ACRONYMS

EOQ	Economic Order Quantity
GDP	Gross Domestic Product
ICT	Information Communication Technology
JIT	Just-in-time
KISM	Kenya Institute of Supplies Management
KEMRI	Kenya medical research institute
KMTC	Kenya medical training institute
KNH	Kenyatta National Hospital
KNHST	Kenyatta national hospital strategic plan
OECD	Organization of Economic Cooperation Development
PPDA	Public Procurement and Disposal Act
PPDR	Public Procurement and Disposal Regulations
PPOA	Public Procurement Oversight Authority
RFP	Request for Proposals
RFQ	Request for Quotations
SP	Sustainable Procurement
UNEP	United Nations Environment Programme
ROK	Republic of Kenya

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OPERATIONAL DEFINITION OF TERMS.

Public procurement	It is the acquisition of goods, services, and works using public funds. I encompass various activities such as order coordination, demand alignment scheduling, and shipment arrangements to meet customer needs efficiently.
Public hospital:	It is a hospital operated by the government and government agencies, which serve the public interest.
procurement practices:	Is the sequence of decisions concerning the acquisition of necessary materials and services to support operational activities aligned with the overarching corporate strategy.
Compliance:	Involves the systematic adherence to procurement guidelines, which is vital for streamlining procurement processes and minimizing delays and inefficiencies.
Performance Measurement:	The process of evaluating the efficiency and effectiveness of actions in achieving specific objectives within public hospitals.
Transparency	: The openness and clarity with which procurement processes are conducted ensuring all stakeholders have access to necessary information.
Accountability	The responsibility of public officials to report, explains, and be answerable for the consequences of procurement decisions and activities
Compliance	Adherence to laws, regulations, and guidelines governing procurement processes in public hospitals.
Efficiency:	The extent to which procurement practices minimize costs and resource usage while maximizing outputs and outcomes
Effectiveness:	The degree to which procurement practices achieve the desired outcomes and meet the needs of the public hospitals

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Value for Money:	The concept of obtaining the best possible outcome at the lowest possible cos in procurement activities
Tendering:	The formal process by which bids are invited from interested suppliers to provide goods or services within a specified framework.
Bid Evaluation:	The process of assessing and comparing bids submitted in response to a procurement solicitation to select the most advantageous offer
Contract Management:	The administration and supervision of contracts made with suppliers to ensure compliance and performance.
Contract Management:	The administration and supervision of contracts made with suppliers to ensure compliance and performance.
Supplier Relationship Management	: Strategies and practices for managing interactions with third-party supplier to maximize value and performance.
Ethical Procurement:	Adherence to moral principles and standards in procurement processes to ensure fairness, integrity, and professionalism.
Procurement Policy	: The set of rules and guidelines governing procurement activities and decisions within public hospitals to ensure consistency and compliance.

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ABSTRACT

Procurement plays a crucial role in enabling the public sector to achieve its objectives and prepare for uncertainties. However, a significant portion, approximately 60%, of quality systems in public procurement have failed to deliver the anticipated benefits, posing a considerable challenge for government agencies. The main objective of this research was to investigate Procurement Practices and Organizational Performance of Public Hospitals in Kenya, with a focus on Kenyatta National Hospital (KNH). Specific objectives include to establish the factors that influence compliance with procurement practices in public hospitals, to examine the level of awareness of legal requirements in the procurement process in public hospitals and to investigate the influence of procurement methods on performance in public hospitals. The study is anchored on the stakeholder theories, System theories and Resource Based theories. The study utilized a descriptive research design that involved 30 procurement officers who form a sub department of the larger supply chain management department at Kenyatta National Hospital (KNH). The census sampling technique was employed due to the small study population, to ensure the participation of all eligible respondents. Data was collected using the structured questionnaire, which was pretested for validity through a pilot study. Inferential and descriptive statistics were used in this study in qualitative data analysis obtained from the closed ended questions. Descriptive tools used in qualitative data analysis in the study include measures of central tendency, percentages, frequency distributions, as well as variability measures. The study findings indicated that there was a strong positive relationship between procurement practices, legal awareness, compliance, and performance measures. This indicates that these factors collectively influence hospital performance. However, the lack of statistical significance of the individual predictors suggests that other unmeasured variables may also affect outcomes, warranting a more comprehensive evaluation

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CHAPTER ONE

INTRODUCTION

1.0 Background of the Study

Public procurement is a critical aspect of the public sector, involving the acquisition of goods, services, and works using public funds. It encompasses various activities such as order coordination, demand alignment, scheduling, and shipment arrangements to meet customer needs efficiently. Effective procurement practices offer organizations streamlined management mechanisms, reducing cycle times and enhancing reliability (Baily, 2011).

Public procurement globally revolves around the reforms, restructuring and regulatory frameworks. Many countries, both developed and developing, have embarked on procurement overhauls through legislative and regulatory measures. Public procurement constitutes a significant portion of government expenditure worldwide, with about 50% of the budget in developing countries allocated to procuring goods and services. Over the past decade, several countries have introduced or reformed their procurement regulations (Arrowsmith, 2016).

In developing nations, public procurement's role in service delivery is increasingly recognized, it involves the process by which governments and state-owned enterprises buy goods, services, and works to fulfill their mandate to provide services to the public which is representing a substantial portion of the Gross Domestic Product (GDP). For example, in Kenya, it accounts for 60% of the GDP, while in Angola, Malawi, and Uganda, it ranges from 40% to 70% of public expenditure (Wittig, 2014). These figures exceed the global average of 12-20% *(Froystad et al., 2012).*

Inadequate planning and management of the procurement process pose significant challenges in public procurement. The competency of employees also affects procurement performance, with many procurement managers lacking essential knowledge and skills. Moreover, there is a shortage

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of training and familiarity with procurement legislation, leading to the hiring of unqualified personnel.

In Kenya, the enactment of the Public Procurement and Disposal Act of 2015 established a standardized framework governing procurement activity across public sector entities. However, this uniform approach has presented challenges for many government organizations, including elevated procurement costs, protracted procedures, and complexities in supplier negotiations. Over time, the evolution of Kenya's public procurement system has transitioned from a lack of regulations to a legally grounded framework, with significant legislation such as the Procurement and Disposal Act of 2015 and the Procurement Regulations of 2016.

A report by the Public Procurement Oversight Authority (PPOA) has underscored deficiencies in procurement operations within Kenya, citing issues such as insufficient expertise, inadequate staff training, and subpar record-keeping practices. These inadequacies have contributed to suboptimal procurement outcomes. This study seeks to investigate the impact of effective procurement practices on the performance of Kenyatta National Hospital. It aims to address the imperative for innovation in procurement processes to better meet the needs of patients and enhance overall performance.

1.0.1 Procurement Practices

Watson and Howarth (2012) characterize procurement practices as the sequence of decisions concerning the acquisition of necessary materials and services to support operational activities aligned with the overarching corporate strategy. In response to organizational performance challenges, globalizing companies adopt procurement practices (Robson, 2013) to furnish themselves with relevant metrics and key performance indicators. These tools assist them in managing performance, allocating resources, controlling costs, and managing operational logistics across various departments and manufacturing facilities (Shah, 2012). However, while

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procurement practices offer integration to globalizing companies, they do not present a panacea for all challenges related to market penetration and other aspects of business infrastructure (Gunson, 2010).

In examining procurement practices and their impact on organizational performance in public hospitals in Kenya, it is crucial to focus on several key objectives that highlight the role of effective procurement management in enhancing hospital performance. To begin with, assessing the compliance processes in procurement is essential to understanding how well public hospitals adhere to legal and regulatory frameworks. Compliance in procurement ensures that public funds are used responsibly, processes are transparent, and potential risks like fraud or corruption are minimized. Regular audits, adherence to established procurement laws, and implementation of compliance tools are critical in maintaining accountability and fostering trust in the management of hospital resources (García-Altés et al., 2023).

secondly, examining the level of awareness of legal requirements within the procurement teams in public hospitals is vital for ensuring that all procurement activities are conducted within the confines of the law. This involves evaluating the knowledge and understanding of procurement officers regarding regulations such as the Public Procurement and Asset Disposal Act (PPADA) and sector-specific policies (PPADA, 2015). High levels of awareness among staff reduce the likelihood of procedural errors and legal disputes, ultimately supporting smooth and lawful procurement operations. To achieve this, hospitals should prioritize continuous professional development, capacity-building initiatives, and compliance training for staff.

Further, understanding the influence of various procurement methods on hospital performance is vital in identifying which strategies best support the unique needs of healthcare institutions. Public hospitals typically use multiple procurement methods, such as open tendering, restricted tendering, and direct procurement, depending on the urgency and nature of their requirements

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(Hussein, et al., 2014)). The choice of procurement method can significantly impact the efficiency, quality, and cost-effectiveness of service delivery. For instance, while open tendering may foster competition and transparency, restricted tendering or direct procurement could be more suitable for time-sensitive or specialized procurements. By evaluating the effects of different methods, hospitals can select the most appropriate strategies to achieve their performance goals.

Finally, establishing the overall impact of procurement practices on hospital performance is essential for developing a comprehensive understanding of how procurement influences operational efficiency, resource utilization, and patient outcomes (Mutegi, et al., 2017). Effective procurement practices encompass compliance, method selection, supplier management, ethical considerations, and contract administration. When procurement is managed well, hospitals can maintain optimal stock levels, avoid supply chain disruptions, and ensure timely availability of quality medical supplies and services, leading to improved patient care and operational performance. Conversely, poor procurement practices can result in supply shortages, financial mismanagement, and a decline in service delivery standards.

By addressing these objectives, the research will provide insights into the effectiveness of current procurement practices in public hospitals and offer recommendations for improving compliance, enhancing staff competency, optimizing procurement strategies, and ultimately supporting better healthcare outcomes in Kenya.

1.0.2 Performance of Public Hospitals

Organizational performance denotes a public hospital's capacity to achieve its mission through effective management, robust governance, and a steadfast commitment to delivering results (Parasuraman, 2014). When defining a public hospital's performance, it is crucial to consider various potential indicators. This study examines a public hospital's performance concerning

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quality, productivity, service delivery, waste reduction, cost minimization, and public (customer) satisfaction.

Performance in public hospitals is established through evaluating a comprehensive approach that considers several factors, such as patient satisfaction, service delivery, and resource efficiency (Gunson, 2010). Patient satisfaction reflects the quality of care and communication during hospital visits, while service delivery ensures the timely availability of services, equipment, and essential drugs. Health outcomes like recovery rates and treatment success indicate whether patients are receiving effective care.

Resource efficiency measures how well financial, human, and physical resources are utilized (Koech, 2015). Additionally, compliance with government regulations and quality standards through regular audits is crucial for maintaining accountability. Staff competence, training, and motivation directly impact service quality, while adopting innovative technologies like electronic medical records can enhance operational efficiency (Koech, 2015). Effective financial management and adherence to budgets are vital in ensuring sustainable funding (Markus et al., 2013). Lastly, the hospital's contribution to broader public health goals, such as vaccination drives and disease prevention, highlights its role in improving community health.

1.0.3 Kenyatta National Hospital (KNH).

Kenyatta National Hospital (KNH) was established in 1901, initially housing 40 beds and operating under the Ministry of Health until 1987 when it gained State Corporation status through Legal Notice No. 109 of April 6, 1987. Kenyatta National Hospital has undergone a significant expansion in terms of the capacity, it is currently accommodating 1,800 beds with an approximation of 700,000 inpatients and 600,000 outpatients. It is renowned as a premier public hospital in Kenya and neighboring regions, offering specialized healthcare services of high quality to patients from East and Central Africa. The hospital provides a wide array of specialized services including major surgeries, burn management, critical care, neonatal services, ophthalmology (including cornea

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transplants), oncology, palliative care, and renal services (including kidney transplantation). KNH serves as a teaching institution for the University of Nairobi (College of Health Sciences) and the Kenya Medical Training College (KMTC). Additionally, it collaborates closely with various affiliated institutions such as the Kenya Medical Research Institute (KEMRI), Government Chemist, National Radiation Protection Board, National Public Health Laboratories Services (NPHLS), National AIDS and STIs Control Programme (NASCOP), National AIDS Control Council (NACC), National Blood Transfusion Services (NBTS), and African Medical and Research Foundation (AMREF).KNH has established partnerships with international organizations to provide clinical services, outreach programs, and research initiatives.

These collaborations include Operation Smile International, Neurosurgical Mission of St. Louis (USA), Plastic Surgical Project of the late Prof. Platt, Open Heart Surgery through Medical and Educational Aid to Kenya (MEAK) of Guys Hospital (UK), Renal Transplant Programme of University of Barcelona/NOVARTIS, Vesico vaginal fistula (VVF) Project with AMREF, and Spinal Surgery with Nuvasive Spine Foundation (USA), among others. Outreach programs extend to initiatives such as the Cancer Treatment Programme in Mombasa and Kisumu. KNH is actively involved in numerous research projects in collaboration with institutions such as the University of Washington DC, the University of Nairobi, Grand Challenges Canada, and MERCK.

The procurement department at Kenyatta National Hospital plays a crucial role in optimizing patient experience by ensuring seamless flow of goods, works, and services, and providing strategic technical expertise in supply chain management matters. The department's strategic objectives focus on contributing to the hospital's operational efficiency through timely and competitive acquisition of quality goods and services, cost management policies, maintaining supplier relationships, ensuring good inventory management practices, enhancing quality management systems, reviewing staff strengths and motivation through training and development, and promoting good corporate governance.

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Kenyatta National Hospital (KNH) finances its operations through a combination of funding sources, primarily including government allocations, revenue from patient services, and partnerships with various stakeholders. As the largest referral hospital in Kenya, KNH receives substantial budgetary support from the Ministry of Health, which is aligned with national goals such as Universal Health Coverage (UHC). Additionally, the hospital generates revenue through fees for specialized medical services and collaborates with development partners to enhance resource mobilization and healthcare delivery strategies (Ministry of Health Kenya, 2023).

1.1 Statement of the Problem

The performance of public hospitals in Kenya is often compromised due to ineffective procurement practices, which can lead to poor service delivery and mismanagement of resources. Although extensive research has explored procurement practices, most studies overlook the specific impact on organizational performance for example measuring sustainable performance has to be conceptually based but simplified to be practically useful. It proposes a stakeholder-based, Sustainable Balanced Scorecard and conceptual framework coupled with a single-measure Organizational Sustainability Performance Index to integrate the performance measures. This index helps make sustainable organizational performance measurable and accessible to stakeholders, 2006 John Wiley and Sons, Ltd and ERP Environment., a crucial measure in healthcare. The existing literature often emphasizes procurement practices without adequately exploring how these practices impact tangible performance metrics in public hospitals. This oversight limits the understanding of the relationship between the independent variables, such as compliance processes and legal awareness and their direct effects on the dependent variable of organizational performance. Existing studies on procurement practices tend to focus on broader public institutions or private sectors (Koech, 2015), which may not accurately reflect the unique challenges faced by public hospitals in Kenya. These hospitals operate within complex regulatory environments and often contend with limited resources, directly influencing their procurement strategies and ultimately their performance. This gap

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highlights the need for studies that consider the distinctive characteristics of public hospitals. This proves the facts that most healthcare facilities are under staffed, ill-equipped and lack drugs and other medical supplies, they also lack basic amenities such as toilets and clean drinking water, previous studies (Muturi, 2015) predominantly used qualitative approaches, lacking robust quantitative analyses that link procurement efficiency to performance metrics like cost reduction, service quality, and patient satisfaction in hospitals. This methodological gap results in limited empirical evidence on the actual impact of procurement practices on hospital performance.

These gaps form the basis of the current study, which aims to investigate Procurement practices and Organizational Performance of Public Hospitals in Kenya, with a focus on Kenyatta National Hospital (KNH). Addressing these gaps is crucial for refining procurement strategies in public hospitals to enhance their overall organizational performance, leading to better healthcare outcomes and more efficient use of public resources. In this study, the independent variables include procurement compliance processes, awareness of legal requirements, and procurement methods, while the dependent variable is the overall organizational performance of public hospitals. This study seeks to adequately examine the direct link between the independent variables and dependent variables which will offer a clearer understanding of how effective procurement practices can enhance hospital performance, thereby improving healthcare outcomes and resource utilization.

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1.2 Objectives of the Study

The general objective of the study is to investigate Procurement practices and Organizational Performance of Public Hospitals in Kenya, with a focus on Kenyatta National Hospital (KNH).

1.2.1 Specific Objectives

The specific objectives of the study were to determine factors that influence compliance to procurement practices in public hospitals, case of Kenyatta National Hospital.

i. Factors influence compliance with procurement regulations in these hospitals

ii. Level of awareness of legal requirements in the procurement process in public hospitals,

a case of Kenyatta National Hospital.

iii. The influence of procurement methods on performance in public hospitals, a case of Kenyatta National Hospital.

1.3 Research Questions

i. What factors influence compliance with procurement regulations in these hospitals?

ii. What is the level of awareness of legal requirements in the procurement process public hospitals?

iii. What is the influence of the procurement methods on the performance of public hospitals?

1.4 Scope of the Study

The study will be undertaken at the Kenyatta National Hospital. The study will involve all the members of the procurement department in the hospital. Data collection of the study will seek to investigate Procurement practices and Organizational Performance of Public Hospitals in Kenya, with a focus on Kenyatta National Hospital (KNH).

1.5 Significance of the Study

The significance of this research study investigating procurement practices and organizational performance of public hospitals in Kenya, particularly focusing on Kenyatta National Hospital (KNH), can be outlined in several key areas:

To begin with, the findings of the study aimed to Improving Healthcare Delivery. By examining the relationship between procurement practices and organizational performance, the study identified effective procurement strategies that enhance service delivery in public hospitals, leading to better patient care, increased satisfaction, and improved health outcomes.

The findings from the study provide valuable insights for policymakers in public hospitals in Kenya. Understanding how procurement practices impact performance informs the development of regulations and policies that promote best practices, efficiency, and accountability in public procurement, ultimately benefiting the healthcare system as a whole.

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Focusing on KNH, which is the largest referral and teaching hospital in Kenya, allows for benchmarking against best procurement practices. The study highlighted successful procurement models and strategies that other public hospitals can adopt, promoting a culture of continuous improvement across the healthcare system.

The research emphasized the importance of training and capacity building for procurement personnel. By highlighting the need for legal awareness and procurement skills, the study advocates for investment in human resources, leading to enhanced procurement efficiency and performance in public hospitals.

This study adds to the existing body of literature on public procurement and organizational performance in healthcare settings. It provides empirical data specific to the Kenyan context, contributing to academic research and facilitating future studies in related areas.

1.6 Limitations of the Study

The primary limitation of the study was the accessibility of information due to hindrances by the target population. This limitation was managed through the assurance that the information collected was used for academic purposes only. The organizational confidential policy restricted most of the respondents from providing information that is relevant to the study.

The study used a questionnaire as a tool for data collection. The questionnaire mainly consisted of Closed-ended questions that may have given the respondents room to misinterpret the options provided, leading to answers that do not accurately reflect their views. Moreover, different respondents may have interpreted questions differently based on their backgrounds, experiences, or understanding, which can lead to inconsistencies in the data collected. However, conducting a pilot test of the questionnaire with a small sample helped identify potential misinterpretations or ambiguities in the questions. Feedback from pretesting guided revisions that improved clarity.

The introduction letter, obtained from the university and addressed to the organization's management was instrumental in delimiting the research study by ensuring access, cooperation,

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trust, ethical compliance, and clarity, thereby mitigating many logistical and ethical limitations that could hinder the research process.

CHAPTER TWO: LITERATURE REVIEW

2.0 Introduction

The chapter delves into both theoretical and empirical reviews pertinent to the study.

2.1 Theoretical Review

Stakeholder theory, systems theory and resource-based theory served as the study's foundational theories. These theories acted as the cornerstone for the framework of the study and directed the examination of the data.

2.1.1 The Stakeholder Theory

Stakeholder theory integrates principles from various academic disciplines, including sociology, economics, politics, and ethics (Freeman, 1984). Additionally, it incorporates insights from literature on corporate planning, systems theory, corporate social responsibility, and organizational theory. This approach is widely accepted because it has the ability to present how the broader understanding of all the stakeholders with shared interests or rights can organize themselves into groups. The interaction between a company and its external environment significantly influences the company's conduct within that context. Freeman's model illustrates this relationship by positioning the company at the center, with relevant stakeholders branching out from it, emphasizing bilateral and mutually independent relationships between the company and stakeholders (Freeman, 1984).

The fundamental principles of stakeholder theory involve organizations engaging with multiple groups that they either influence or are influenced by. Freeman's terminology highlights the dynamic nature of these relationships, focusing on processes and outcomes for both the company and stakeholders (Freeman, 1984). The theory emphasizes that the interests of all legitimate stakeholders hold inherent value, with no single interest considered dominant. It underscores the

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decision-making process, elucidating how stakeholders' contributions align with their needs and priorities, urging organizations to understand the interests of all involved parties in decision-making.

Procurement practices must align with the expectations of diverse stakeholders, including patients, healthcare providers, suppliers, and government entities. Engaging stakeholders throughout the procurement process can enhance transparency, accountability, and satisfaction, thereby improving organizational performance.

While Stakeholder Theory emphasizes the importance of addressing multiple stakeholder interests, it can be challenging to balance competing demands. For instance, while suppliers may advocate for higher prices to maintain quality, patients may require lower costs for better access to healthcare. Thus, the theory may lack practical guidance on prioritizing stakeholder needs, potentially leading to conflicts in decision-making.

2.1.2 Systems Theory

The systems theory proposes that business functions do not operate in isolation but rather, they are affected by interactions with their environment (Hespanha, 2018). The theory perceives functions as systems that have interdependent components, which operate collectively towards a common goal. The processes in a particular function are perceived as the components of the functions. These components are required to work together to ensure that the general outcomes of the functions are desirable. Devaney (2018) explains that systems could either be open or closed. On the one hand, open systems are affected by the operations of their surrounding environments. On the other hand, closed systems are "immune" to the proceedings of the external environment. In most cases, business functions are open systems because their outcomes have a significant impact on the performance of each other (Hespanha, 2018). For instance, financial operations affect the procurement and human resource functions of a business. As such, the functions of a business can perceived as the interrelated components that are required to work together in ensuring that the

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business, which is the system, progresses seamlessly (Devaney, 2018).

The procurement process is interconnected with various hospital functions, including inventory management, patient care, and financial sustainability. A systems approach allows for a holistic analysis of how procurement practices affect overall hospital performance, encouraging the identification of inefficiencies and areas for improvement. While Systems Theory provides a comprehensive framework, it can be overly complex, making it difficult to implement in practice. Identifying all interdependencies within a hospital's procurement system may be challenging, especially in a large organization like KNH.

2.1.3 Resource Based Theory

Resource-Based Theory (RBT) was first put forward by Penrose (2009), who proposed a model for the effective management of firms' resources, diversification strategy, and productive opportunities. Penrose's publication was the first to propose conceptualizing a firm as a coordinated bundle of resources to address and tackle how it can achieve its goals and strategic behavior (Penrose, 2009). This theory elucidates the performance gaps observed among organizations operating within the same industry and underscores the importance of an organization's internal resources in devising strategies to attain sustainable competitive advantage. According to this theory, not all resources within an organization contribute equally to establishing and sustaining competitive superiority (Penrose, 2009). Instead, for an organization to achieve a competitive edge, its resources must possess specific attributes, including being inimitable, valuable, non-substitutable, and non-transferable.

The Resource-based theory, as explained by (Fahy, 2002), revolves around key components such as strategic decision-making by management, the nature of resources that generate advantages, superior performance, and competitive advantage. Businesses leverage a diverse array of resources to gain competitive superiority. Lewis et al., (2010) further elaborate that each organization possesses unique capabilities and resources, and how these resources are managed, acquired,

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combined, developed, and utilized determines its performance and competitive advantage. These resources encompass tangible, external, and intangible assets.

This theory underscores the crucial role of organizational resources in shaping performance and delineates the connection between an organization's performance and its available resources. According to the Resource-Based View (RBV) approach, a company's internal resources are its most valuable assets, indispensable for formulating strategies that confer a competitive edge (Lyons & Brennan, 2019). Built on the premise that strategic resources are rare, difficult to imitate, and challenging to substitute, the resource-based view positions organizations for competitive advantage. Each organization possesses a distinct blend of resources, tangible and intangible, which influences its competitiveness within its market segment, resulting in variations among organizations.

Developing specialized procurement capabilities can lead to enhanced service delivery and financial performance (Lyons & Brennan, 2019). This theory suggests that effective procurement practices can optimize the hospital's unique resources, such as human capital and supplier relationships, to improve patient outcomes and organizational sustainability.

A limitation of Resource-Based Theory is its potential overemphasis on internal resources while underestimating external factors, such as market dynamics and regulatory influences. Additionally, the identification of "valuable" resources can be subjective and may vary over time, making it challenging for organizations to adapt their procurement strategies accordingly.

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2.2 Conceptual framework

This conceptual framework delineates the influence of independent variables, specifically procurement practices, awareness of legal requirements, and procurement methods on performance measures within public hospitals. Effective procurement practices include essential steps such as need identification, submission of purchase requisitions, generation of purchase orders, and management of invoices and payments. These processes ensure that hospitals procure the necessary

goods and services efficiently, preventing financial losses and maintaining strong supplier relationships.

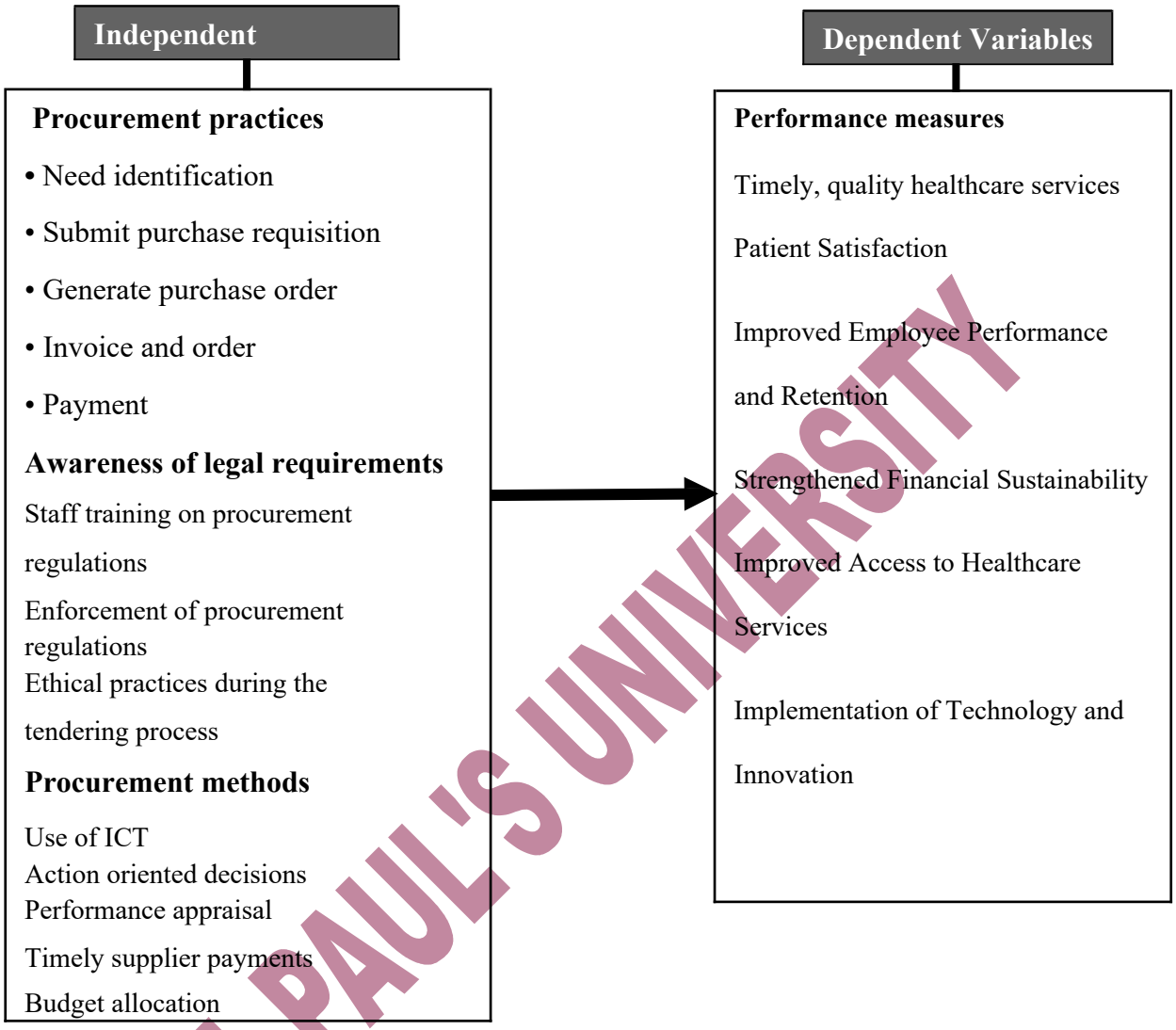
Awareness of legal requirements is another independent variable in the framework. Training staff on procurement regulations ensure compliance and minimizing legal risks. This knowledge promotes transparency and accountability in procurement activities, while the enforcement of regulations fosters ethical practices during the tendering process, helping to reduce issues such as corruption and favoritism. Together, these elements create a fair and competitive environment for suppliers.

The framework also emphasizes the role of procurement methods in influencing performance measures. Utilizing information and communication technology (ICT) streamlines procurement operations, enhances decision-making, and facilitates ongoing performance appraisal. These improvements lead to timely, quality healthcare services and increased patient satisfaction. Moreover, effective procurement practices contribute to the financial sustainability of public hospitals by promoting cost savings and improving resource allocation, ultimately leading to better access to healthcare services and encouraging technological innovation within the organization.

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Figure 2.1: Conceptual framework



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2. 3 Empirical Review

This section examines empirical studies focusing on the effects of procurement practices on public hospital performance in Kenya. It explores compliance with procurement practices, awareness of legal requirements, and the influence of procurement methods on performance of public hospitals, with a specific focus on the Kenyan public hospitals.

2.3.1 Compliance to Procurement practices.

Compliance with procurement practices is a critical component in ensuring that the acquisition of goods and services within an organization adheres to established laws, regulations, and procedures. As highlighted by Mburu (2014), compliance involves systematic adherence to procurement guidelines, which is vital for streamlining procurement processes and minimizing delays and inefficiencies. This is particularly significant in hospital settings, where the timely procurement of medical supplies and equipment is directly linked to patient care and overall health outcomes.

By following standardized procurement procedures, hospitals can avoid common pitfalls such as redundancies and operational disruptions that often result from poor planning or ad hoc procurement practices (Mwangi, 2016). Non-compliance, on the other hand, exposes hospitals to significant financial risks, including legal penalties, fines, and costs associated with procurement disputes and contract violations.

Walker and Brammer (2012) conducted research on sustainable procurement within the UK public sector, surveying public sector employees in the United Kingdom. The study, with 106 procurement officers participating, revealed considerable diversity in sustainable procurement approaches among public sector organizations. Local authorities demonstrated a strong inclination toward procuring from small and local vendors, while the health and education sectors displayed varying priorities. The study identified cost as a major barrier to sustainable procurement, with senior management support facilitating its implementation. However, potential bias was acknowledged due to a higher response rate from sustainability-focused professionals in the sample selection process.

Kabega (2016) investigated the performance of Rwandan public projects concerning procurement processes, focusing on the construction of the Bugesera District Office. Their study analyzed the impact of procurement planning, the tendering system, and contract administration. The findings indicated that effective procurement planning contributed to efficient resource utilization, and

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various tendering methods were utilized by the District. Contract administration practices significantly influenced project management, leading to better-than-expected project outcomes. The study recommended government oversight and auditing of procurement processes to ensure accountability and transparency.

Makabira and Waiganjo (2014) explored the influence of procurement methods on the performance of the Kenya National Police Service in Makueni County. Their study aimed to assess the effects of procurement planning, controls, monitoring, and staff training on the service's performance. Using a descriptive research design, the study targeted 120 procurement staff members and selected 48 respondents through stratified sampling. The findings revealed that personnel training in procurement procedures, controls, and monitoring significantly impacted the service's performance. The study suggested reviewing current procurement procedures and implementing recommendations to enhance organizational performance. Additionally, it recommended further research on alternative procurement management methods and a broader range of state businesses in Kenya.

2.3.2 Awareness of Legal Requirements and Procurement Performance.

Legal awareness entails a comprehensive understanding of the relevant procurement laws, regulations, and guidelines essential for ensuring compliance in procurement processes. In public hospitals, procurement activities are often governed by a range of national and institutional laws, such as the Public Procurement and Asset Disposal Act (PPADA) in Kenya. The PPADA establishes a regulatory framework that sets out standardized procedures for the acquisition of goods, and services, and works to ensure transparency, accountability, and value for money (Chemoiywo, 2014). Failure to comply with these legal requirements can lead to significant risks, including mismanagement of resources, inefficiencies, and potential corruption (Amemba, et al., 2013).

For procurement officials, legal awareness involves not only a familiarity with the statutory

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provisions but also the ability to interpret and apply these laws in diverse procurement scenarios (Kiage, 2015). This expertise is crucial for selecting appropriate procurement methods, preparing accurate and compliant documentation, and ensuring that all procurement activities are conducted ethically and in line with legal mandates (Mutegi, et al.,2017). Procurement officials who are well-versed in these legal requirements can effectively navigate the complexities of procurement regulations, thereby minimizing risks such as conflicts of interest, bid-rigging, and fraud—common challenges in public procurement (Odhiambo, 2014).

Additionally, a strong understanding of anti-corruption laws and ethical standards is fundamental to promoting transparency and accountability within the procurement process (Eyaa et al.,2018). Legal awareness among procurement staff ensures that procurement activities are conducted openly, reducing the likelihood of unethical practices that can undermine the integrity of the procurement function (Njoroge 2016). By adhering to these legal standards, procurement officers help establish a culture of compliance, which not only safeguards the organization's reputation but also enhances procurement performance and service delivery in public hospitals (Rotich 2015).

According to Rossi (2015), an organization's issuance of compliant directives, in line with formal elements, signifies an understanding of the rules. Understanding the legal framework can lead to more efficient and effective procurement processes. Awareness of legal requirements helps streamline procurement procedures, reduce delays, and ensure that procurement activities are conducted promptly. This, in turn, leads to better resource utilization and improved service delivery (Eyaa & Oluka, 2011). Gelderman et al. (2016) argue that public purchasers are more likely to adhere to regulations if they are clearly articulated, as unclear directives may lead to increased non-compliance. Providing education and training to public buyers could significantly enhance compliance with these directives. Eyaa and Oluka (2017) contend that a lack of comprehension of procurement guidelines contributes to low compliance levels. Legal awareness promotes transparency and accountability in the procurement process. When procurement officials are well-

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versed with legal requirements, they can ensure that procurement activities are conducted openly and fairly, thereby enhancing public trust and confidence in the procurement process (Mutegi, Namusonge, & Sakwa, 2017). Adherence to legal requirements ensures that the procurement process meets established standards and criteria, leading to the acquisition of high-quality goods and services. This is crucial for public hospitals that rely on these goods and services to perform their functions effectively (Kiage, 2013).

In Kenya, familiarity with procurement regulations is a key predictor of adherence to procurement laws. Awareness of legal requirements ensures that procurement officials comply with the rules and regulations, thereby reducing the risk of legal challenges and penalties. Compliance with the legal framework helps in mitigating risks such as corruption, fraud, and abuse of office, which can adversely affect procurement performance (Chemoiywo, 2014). Kenya's public procurement is primarily regulated by the Public Procurement and Asset Disposal Act, 2015 (PPADA). The Act establishes procedures for efficient public procurement and the disposal of unserviceable, obsolete, or surplus stores, assets, and equipment by public entities. The Act aims to promote fair competition, increase transparency, and ensure accountability in the procurement process.

Awareness and adherence to legal requirements help in reducing corruption and procurement malpractices. Legal frameworks such as the PPADA mandate open and competitive bidding processes, which limit opportunities for corrupt practices. This leads to a more equitable procurement process and enhances overall procurement performance (Odhiambo & Kamau, 2003). Legal awareness ensures that procurement activities align with budgetary provisions and financial regulations. This results in better financial management, reducing instances of overspending or misallocation of funds, and contributing to the financial health of public hospitals (Njoroge & Ngugi, 2016). Legal requirements often include provisions for audits, reporting, and oversight mechanisms. Awareness of these requirements ensures that procurement officials adhere to best practices in governance, thereby enhancing accountability and reducing incidences of fraud and

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mismanagement (Amemba, Nyaboke, Osoro, & Mburu, 2013).

Heneghan and O'Donnell's (2014) study suggested that non-compliance levels were partly attributed to the intricate legislative requirements of procurement laws. Lazarides (2015) further suggests that mandatory compliance is influenced by factors such as the clarity or ambiguity of provisions, indicating that enhancing legal knowledge could potentially improve compliance.

According to De Boer and Telgen (2018), one of the factors contributing to non-compliance with procurement regulations in the public sector is the level of understanding of procurement legislation. Many procurement officials lack sufficient training and capacity building on the legal requirements governing public procurement. This leads to unintentional non-compliance and suboptimal procurement practices (Ngugi & Mugo, 2020). The legal requirements governing procurement can be complex and cumbersome, making it difficult for procurement officials to fully understand and implement them. Simplifying these frameworks and providing clear guidelines can help improve compliance (Rotich & Okello, 2015). Resistance to change among procurement officials and other stakeholders can impede the adoption of legal requirements. Overcoming this resistance requires continuous education and the demonstration of the benefits of compliance (Mwangi, 2016).

Awareness of legal requirements is a fundamental aspect that significantly influences the procurement performance of public hospitals in Kenya. It ensures compliance, promotes transparency and accountability, improves efficiency, and enhances the quality of procurement outcomes. However, challenges such as inadequate training, complexity of legal frameworks, and resistance to change need to be addressed to fully realize the benefits of legal awareness. Efforts to improve legal awareness should focus on continuous training, simplification of legal requirements, and fostering a culture of compliance within public hospitals.

2.3.3 Influence of Procurement practices on public hospitals' performance

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Public hospitals employ various procurement methods to efficiently acquire goods and services while ensuring transparency and accountability. The procurement methods adopted by public hospitals in Kenya have a direct and substantial impact on their performance. The effectiveness, efficiency, transparency, and overall success of procurement activities are largely determined by the choice of procurement methods.

Competitive bidding is a widely utilized approach, where suppliers submit proposals in response to formal solicitations, allowing for fair competition. This method promotes cost-effectiveness and ensures that public funds are allocated judiciously. Open tendering is a competitive bidding process open to all qualified suppliers. It is the most transparent procurement method, ensuring that all interested parties have the opportunity to submit bids. Open tendering enhances transparency and accountability, leading to fair competition and potentially better pricing and quality. However, it can be time-consuming and costly due to the extensive processes involved (Chemoiywo, 2014).

Additionally, some institutions may opt for negotiated procurement, especially when dealing with complex projects or unique requirements, enabling a more collaborative and flexible approach to selecting suppliers. Framework agreements are another common practice, streamlining the procurement process by establishing pre-approved terms and conditions with suppliers, and expediting the acquisition of goods and services as the need arises. Public hospitals often strive to strike a balance between promoting fair competition and achieving efficiency in procurement, aligning their methods with regulatory frameworks to uphold integrity and value for taxpayers' money (Odhiambo, 2014). Restricted tendering, only prequalified suppliers are invited to submit bids. This method is used for specialized procurements where the number of capable suppliers is limited. Restricted tendering can expedite the procurement process by involving only capable suppliers, improving efficiency and reducing the risk of procurement failures. However, it may limit competition and transparency compared to open tendering (Rotich & Okello, 2015).

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Direct procurement, or single-source procurement, is used in cases of urgency, proprietary goods, or when only one supplier is available. Direct procurement can be highly efficient in emergencies or when specific expertise is required. However, it poses significant risks of corruption, favoritism, and lack of transparency (Odhiambo & Kamau, 2003). Framework agreements involve long-term arrangements with suppliers to provide goods or services over a specified period. These agreements can streamline procurement processes for recurring needs, leading to cost savings and consistent supply. They require careful management to ensure that suppliers adhere to agreed terms (Chemoiywo, 2014).

Different procurement methods have varying impacts on cost efficiency. Open tendering can result in competitive pricing, while direct procurement may lead to higher costs due to lack of competition. Request for Quotations (RFQs) and framework agreements can help achieve cost savings for routine purchases (Kiage, 2013). Open tendering is the most transparent method, promoting accountability and reducing opportunities for corruption. In contrast, direct procurement and restricted tendering may pose transparency challenges if not properly managed (Ngugi & Mugo, 2020).

Open tendering is the most transparent method, promoting accountability and reducing opportunities for corruption. In contrast, direct procurement and restricted tendering may pose transparency challenges if not properly managed (Ngugi & Mugo, 2020). Methods like a request for proposals and restricted tendering allow for a thorough evaluation of suppliers' capabilities, ensuring high-quality goods and services. Open tendering may sometimes prioritize cost over quality, potentially affecting performance negatively (Eyaa & Oluka, 2011). Direct procurement and framework agreements are beneficial for urgent or recurring needs, ensuring timely delivery and responsiveness to changing requirements. Open tendering, although transparent, can be time-consuming and may delay procurement processes (Obanda, 2010).

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Ensuring compliance with the legal framework governing public procurement can be challenging. Non-compliance can lead to legal issues and affect procurement performance (Ngugi & Mugo, 2020) Effective implementation of various procurement methods requires skilled personnel with expertise in procurement planning, evaluation, and contract management. Many public hospitals face a lack of capacity and training, impacting their performance (Amemba et al., 2013). Despite robust legal frameworks, corruption and procurement malpractices remain significant challenges. Methods like direct procurement are particularly susceptible to abuse, affecting procurement efficiency and integrity (Odhiambo & Kamau, 2003). The effectiveness of procurement methods is influenced by market conditions, such as the availability of suppliers and the level of competition. Limited supplier markets can constrain procurement options and affect performance (Rotich & Okello, 2015).

The choice of procurement methods significantly affects the performance of public hospitals. While open tendering enhances transparency and competition, it can be time-consuming and costly. Restricted tendering, requests for proposals, and framework agreements offer a balance between quality and efficiency but require careful management to ensure fairness and compliance. Request for quotations and direct procurement improve timeliness and administrative efficiency but pose risks of misuse. Addressing challenges such as compliance, capacity, and corruption is essential to optimize procurement performance. Continuous training, capacity building, and robust oversight mechanisms are crucial for improving the effectiveness of procurement methods in public hospitals.

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2.4 Critique of the Empirical Review

The review of the literature indicates that while there is extensive research on procurement practices in the public sector, there is a significant lack of studies focusing specifically on public hospitals in Kenya. Key gaps exist in understanding how compliance and legal awareness impact hospital performance metrics. The effectiveness of procurement practices should be evaluated not just in terms of compliance, but also in their ability to improve service delivery, patient satisfaction, and

operational efficiency in healthcare settings. Addressing these gaps through context-specific research will be crucial in formulating procurement strategies that enhance the performance of public hospitals in Kenya. This paper seeks to address these gaps by investigating Procurement practices and Organizational Performance of Public Hospitals in Kenya, with a focus on Kenyatta National Hospital (KNH).

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CHAPTER THREE: RESEARCH METHODOLOGY

3.0 Introduction.

This chapter outlines the methodology employed in the study, covering aspects such as the research design, target population, sampling methodology, research instruments, data collection procedures, and methods for data analysis.

3.1 Research Design.

Green and Tull (2016) define research design as the methodology and procedures used to gather necessary data for a study, encompassing the overall framework or structure of the project that outlines what information is to be collected from which sources and through what methods. Research design plays a crucial role in establishing the appropriate framework within which the research activity will be conducted. For this study, a descriptive research design was employed since the goal was to collect quantitative data describing the factors influencing procurement practices and the performance of KNH. Sekeran (2013) explains that descriptive research designs are used to gather data on the current state of phenomena, aiming to characterize "what exists" in terms of variables or circumstances within a given context. Descriptive research, as described by Kothari (2013), involves fact-finding inquiries and surveys, with the primary objective of describing the existing state of affairs.

3.2 Population.

The target population refers to the complete set of elements possessing characteristics relevant to a study (Cooper et al., 2003). Mugenda (2008) describes it as a group or category of subjects sharing one or more similar characteristics and selected as the focus of the study. Smith (2004) defines population as the broader collection of all subjects from which a sample is drawn. In this study, the target population comprised the staff members employed in the procurement department of KNH. According to the human resource databases of KNH for the year 2024, the procurement office is a sub -division of the supply chain department. The procurement department is divided into two

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categories the procurement for administrative services and procurement clinical services which have 16 and 14 employees respectively culminating to a total of 30 employees,

Table 3.1: Target Population

Procurement office KNH	Number	Percentages
Procurement administrative services	14	47%
Procurement clinical services	16	53%
Total	30	100

Source: KNH's human resource database 2024.

3.3 Data Collection Method.

The data collected was primary and quantitative. Primary data, as outlined by Morris (2014), is information obtained directly from the source. The data collection process involves gathering essential information pertinent to the research. A data collection instrument refers to a structured format systematically used to gather data to address research inquiries. In this study, a structured questionnaire will be employed to collect quantitative data. The Likert scale format was utilized due to its capacity to generate equal-interval data, enabling the application of common statistical tools such as standard deviation for testing research variables (Kiess & Bloomquist, 2015).

Questionnaires are preferred as effective data collection instruments because they enable respondents to express their opinions regarding the researched problem (Dempsey, 2013). According to Kothari (2013), information obtained from questionnaires is free from bias or researcher influence, ensuring the collection of accurate and valid data. The questionnaire focused on investigating Procurement practices and Organizational Performance of Public Hospitals in Kenya, with a focus on Kenyatta National Hospital (KNH). It was self-administered to a total of 30 respondents and later collected for analysis. Pilot Study.

A pilot study was undertaken to assess the reliability and validity of the questionnaire, which

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serves as the data collection instrument (Sekeran 2013). As outlined by Dempsey (2013), a pilot study involved conducting initial tests of data collection instruments to identify and rectify any issues that could compromise data validity and reliability. Content validity was established through an extensive review of the literature, consultation with supervisors who possessed expertise in procurement, and incorporating suggestions provided by a panel of experts during the proposal presentation.

3.3.1 Instrument Validity

Validity pertains to whether a questionnaire accurately measures what it is intended to assess (Bryman, 2017). In this research, content validity was used to ensure content validity, the questionnaire was reviewed by two employees, two subject-matter experts, and the supervisor from the supply chain office. The employees provided feedback regarding their comprehension of the questions. Based on this input, the questionnaire was appropriately revised before the actual data collection process.

3.3.2 Instrument Reliability

Reliability refers to the consistency, stability, or internal coherence of a questionnaire (Jack, 2018). The reliability of the measures in the questionnaire was evaluated using Cronbach's alpha (Cronbach, 1995). Questionnaire responses were entered into the Statistical Package for the Social Sciences (SPSS), which calculated Cronbach's alpha coefficient to determine reliability. Following the reliability analysis, the Cronbach alpha value was found to be 0.81, indicating that the questionnaire was reliable. A Cronbach's alpha coefficient closer to 1 signifies higher internal consistency reliability (Sekaran, 2013). If a value of 0.7 were not achieved, the researcher would consider modifying the questionnaire

3.4 Data Analysis and Presentation.

The researcher used inferential and descriptive statistics in this study and qualitative data analysis was obtained from the closed ended questions. Descriptive tools used in qualitative data analysis in

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the study include measures of central tendency, percentages, frequency distributions, as well as variability measures. All the data from descriptive analysis results was presented in both tabular and text forms. Figures from the result tables were also used in the result presentation. Additional multiple regression analysis was employed in establishing any association between the independent and dependent variables within this study. Orodho (2005) maintains that multiple regression is aimed at determining whether some variables worked together in predicting a certain dependent variable. According to Kothari (2004), in multiple regression, explanations in the variations found in dependent variables can be explained using multiple independent variables.

The multiple regression models assumed the form:

Multiple Regression Model Dependent Variable:

YYY = Performance Measures

Independent Variables:

X1X_1X1 = Compliance to Procurement Practices

X2X_2X2 = Awareness of Legal Requirements

X3X_3X3 = Influence of Procurement Methods

Model Specification

The multiple regression equation was specified as:

$Y= \beta_0+ \beta_1X_1+ \beta_2X_2+ \beta_3X_3+ \epsilon$ Where:

YYY = Performance Measures

β0\beta_0β0 = Constant term

(intercept)

β1, β2, β3\beta_1, \beta_2, \beta_3β1, β2, β3 = Coefficients for each independent variable,

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indicating the expected change in YYY for a one-unit change in the respective independent variable, holding other variables constant.

ϵ\epsilonϵ = Error term (representing the variation in YYY not explained by the model).

Interpretation of Coefficients

β1\beta_1β1 (Compliance to Procurement Practices): Indicates the change in performance measures for each unit increase in compliance.

β2\beta_2β2 (Awareness of Legal Requirements): Indicates the change in performance measures for each unit increase in awareness.

β3\beta_3β3 (Influence of Procurement Methods): Indicates the change in performance measures for each unit increase in the influence of procurement methods, there was a determination of the significance level. The multiple regression overall fit had its basis on the F-test while the basis of F-test was ANOVA test. The overall fit common measure employed in this study was the coefficient of determination or R2, which is based on ANOVA table's sum of squares. Lastly, the researcher run the Pearson correlation, r, to find out the relationship between the dependent variables (procurement process) and independent variable. Data was visually represented through tables. Moreover, SPSS statistical software aided in conducting additional data analysis to investigate relationships among the variables.

3.5 Ethical Considerations.

Respondents were assured that their participation in the study was entirely voluntary and that no coercion, threats, incentives, or deceptive tactics was used to obtain information. The questionnaire did not include any identification numbers or names, ensuring anonymity and preventing individual responses from being traced. Additionally, the researcher provided an official letter from the university, confirming that the study is purely academic and conducted for research purposes only. Furthermore, permission was sought from the authorities of both hospitals before accessing their

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facilities.

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CHAPTER FOUR: DATA ANALYSIS, PRESENTATION AND INTERPRETATION.

4.0 Introduction.

This chapter presents the findings of the analysis of primary data collected from 30 procurement staff at Kenyatta National Hospital (KNH). The data was collected to investigate Procurement practices and Organizational Performance of Public Hospitals in Kenya, with a focus on Kenyatta National Hospital (KNH).

Table 4.1: Reliability Test

Cronbach's Alpha	Number of Items
.980	9

The reliability statistics indicate a Cronbach's Alpha of .980, which suggests excellent internal consistency among the nine items measured. A Cronbach's Alpha value above .90 is considered exceptional, implying that the items in the scale are highly correlated and measure the same underlying construct effectively. This high reliability enhances the credibility of the findings derived from the data collected using this instrument. Thus, the questionnaire used for the assessment is reliable for research purposes. The findings are stipulated in the table above.

4.1 Response rate.

Table 4.2: Response rate

Respondents	Non-Respondents	All	Response Rate (%)
28	2	30	93

(Source: Research data, 2024)

This study focused on a target population of 30 employee at Kenyatta National Hospital from the procurement department. Out of the 30 questionnaires distributed, 28 were returned. This resulted in

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a 96% response rate, which is considered sufficient for analysis, exceeding the 50% standard suggested by Kothari (2011). The findings are stipulated in table 4.2 above.

4.2 Demographics of respondents.

The study sought to establish the age distribution of the respondents at Kenyatta National Hospital (KNH). Understanding the age demographics within the procurement departments of this hospital is essential for assessing the experience level of the workforce, as well as for planning, training and development programs.

Table 4.3: Age of respondents.

		Frequency	**Percent**
Valid	Less Than 30	3	10.7
	31-40	5	17.9
	41-50	14	50.0
	Over 50	6	21.4
	Total	**28**	**100.0**

(Source: Research data, 2024).

Out of the 28 respondents from KNH hospital, the majority, comprising 50% of the total, was within the 41-50 age range. This indicates that half of the procurement staff are in their middle years, likely bringing substantial experience to their roles. The findings are stipulated in the table above.

Additionally, 21.4% of the respondents were over 50 years old, further highlighting the presence of seasoned professionals within the department. Younger employees are less represented, with only 10.7% of respondents being under 30 years old and 17.9% falling within the 31-40 age range. The results are shown in table 4.3 above.

The study sought to examine the highest level of education of procurement staff at the Kenyatta National Hospital (KNH). The analysis provides insights into the academic background of the

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personnel in these departments, which is essential for understanding their competencies and identifying areas for further professional development.

Table 4.4 Level of Education of the Respondents

		Frequency	Percent	Valid Percent	Cumulative Perce
Valid		1	100.0	100.0	100.0
	Certificate	8	28.6	28.6	28.6
	Diploma	10	35.7	35.7	64.3
	Degree	7	25.0	25.0	89.3
	Master	2	7.1	7.1	96.4
	Phd/Other	1	3.6	3.6	100.0
	Total	**28**	**100.0**	**100.0**	

(Source: Research data, 2024)

From the 28 respondents at the KNH, a majority of the respondents 35.7% had attained a diploma, 28.6% held a certificate, 25.0% had a bachelor's degree, 7.1% held a master's degree, 3.6% had achieved a PhD or another form of advanced qualification, representing the highest level of academic attainment among the respondents. The cumulative percentages indicate that KNH has a balanced distribution of educational qualifications, with representation across all levels, from certificate to PhD. The cumulative data reveal a concentration of qualifications at the certificate level, with fewer staff members holding higher academic degrees. The findings are stipulated in table 4.4 above.

4.2.1 Rank Distribution of the Respondents.

The study sought to establish the position distribution among the respondents. The findings highlight the hierarchical structure within the procurement department at the Kenyatta National Hospital (KNH), which is essential for understanding the allocation of roles and responsibilities.

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Table 4.5: Rank distribution of the respondents

Rank distribution of respondents					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		1	100.0	100.0	100.0
	Senior Officer	11	39.3	39.3	39.3
	Procurement Officer	12	42.9	42.9	82.1
	Procurement Staff	5	17.9	17.9	100.0
	Total	28	100.0	100.0	

(Source: Research data, 2024)

At the KNH there was a varied distribution of staff across different positions. Among the 28 respondents, a majority were Procurement Officers with 42.9% (12 respondents). Senior Officers constituted 39.3% (11 respondents) of the procurement staff and 17.9% (5 respondents) represented Procurement Staff. The findings are stipulated in table 4.5 above..

4.2.2 Number of years worked.

This research aimed to explore the work experience of procurement staff at Kenyatta National Hospital (KNH). The study focused on the number of years the staff had worked within their respective offices, this was crucial for understanding the level of experience and potential impact on procurement processes.

Table 4.6: Number of years worked

Number of Years Worked					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid		1	100.0	100.0	100.0
	1yrs - 5yrs	4	14.3	14.3	14.3
	6yrs - 10yrs	15	53.6	53.6	67.9
	11yrs - 15yrs	8	28.6	28.6	96.4
	16yrs – above	1	3.6	3.6	100.0
	Total	**28**	**100.0**	**100.0**	

(Source: Research data, 2024).

The procurement staff at KNH displayed a range of work experience, indicating a mix of newer employees and those with significant tenure. From the study findings, 14.3% (4 respondents) had worked for 1 to 5 years. This group represents the more recent hires who may bring fresh

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perspectives to the procurement department but may also require additional training and support. 53.6% (15 respondents) have 6 to 10 years of experience. This majority group reflects a workforce that is seasoned and likely familiar with the hospital's procurement processes and challenges, contributing to stability and continuity within the department.

Further, the findings depict that 28.6% (8 respondents) had been with KNH for 11 to 15 years. This group likely consists of staff with deep institutional knowledge, playing key roles in mentoring newer employees and ensuring adherence to established procurement practices. Only 3.6% (1 respondent) have worked for 16 years or more. This small percentage indicates that while there is some long-term retention, most of the staff have less than 15 years of experience. The findings are stipulated in table 4.6 above.

4.2.3 Range of salaries earned by the respondents.

The study presents a comparative analysis of the salary distribution among procurement staff at Kenyatta National Hospital (KNH). Understanding the salary distribution in the procurement department is critical for evaluating compensation equity, identifying potential disparities, and assessing the impact on staff morale and retention.

From the findings, among the 28-procurement staff at KNH, a majority of the respondents 42.9% (12 respondents) earned between 31,000 KES and 60,000 KES. This indicated that the majority of the staff are compensated within the middle salary range, which could correspond to mid-level roles within the department. Furthermore, 32.1% (9 respondents) earned 30,000 KES or below. A significant portion of the procurement staff falls within this lower salary bracket, which may raise concerns about the adequacy of compensation relative to living costs and job responsibilities.

In addition, 25% (7 respondents) earned between 61,000 KES and 90,000 KES. These respondents likely represent more experienced or senior staff within the procurement department. The findings are stipulated in table 4.7 below

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Table 4.7: Range of salaries earned by the respondents.

		Frequency	Percent	Valid Percent	Cumulative Percent
	30,000 & below	9	32.1	32.1	32.1
	31,000 - 60k	12	42.9	42.9	75.0
	61k - 90k	7	25.00	25.00	100.0
	Total	28	100.0	100.0	

(Source: Research data, 2024)

4.3 compliance processes in procurement in public hospitals.

The study sought to explore compliance with procurement processes in public hospitals. The study findings present an analysis of staff perceptions regarding procurement processes such as the effects of: staff training on procurement regulations influences compliance, ethical practices during the tendering process affect compliance, timely submission of purchase requisitions enhances compliance, need identification is crucial in maintaining procurement compliance and proper documentation and record-keeping support procurement compliance at Kenyatta National Hospital (KNH).

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Table 4.8: compliance processes in procurement in public hospitals

Statement	Strongly disagree (%)	Disagree N (%)	Neutral N (%)	Agree N (%)	Strongly agree N (%)	Mean	Std. deviation
	1	2	3	4	5		
a) Staff training on procurement regulations influences compliance.	3(10.71)	2(7.41)	4(14.29)	7(25.00)	12(42.86)	3.82	1.362
b) Ethical practices during the tendering process affect compliance.	3 (10.71)	2(7.14)	5(17.5)	8(28.57)	10(35.71)	2.32	1.362
c) Timely submission of purchase requisitions enhances compliance.	2(7.14)	1(3.57)	6(21.43)	8(28.57)	11(39.29)	3.89	1.197
d) Need identification is crucial in maintaining procurement compliance.	1(3.57)	2(7.4)	5(17.86)	7(25.00)	15(53.57)	1.93	1.120
e) Proper documentation and record-keeping support procurement compliance.	3(10.71)	2(7.41)	4(14.29)	7(25.00)	12(42.86)	3.82	1.362

(Source: Research data, 2024).

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4.3.1 Staff training on procurement regulations

In the area of how staff training on procurement regulations influences compliance at KNH, the respondents generally agree that staff training on procurement regulations influences compliance with a mean of 3.82, and a standard deviation of 1.362, the variability in responses suggests a moderate spread of opinions, indicating that while many agree, some may have differing views.

A significant portion of respondents, 67.86%, agreed or strongly agreed that staff training on procurement regulations influences compliance, reflecting a positive perception of the hospital's

commitment to continuous improvement. Only 10.71% strongly disagreed, indicating general satisfaction with the organization's efforts in this area. The findings are stipulated in table 4.8 above.

4.3.2 Ethical practices during the tendering process.

Effects of Ethical practices during the tendering process on compliance at KNH was rated at a mean of 2.32 and a standard deviation of 1.362. On average, respondents tend to disagree or are neutral about the effects of ethical practices during the tendering process on compliance. The similar standard deviation as the previous variable suggests a similar level of diversity in responses. At KNH, 64.28% of respondents agreed or strongly agreed that ethical practices during the tendering process affect compliance. This indicates a participative approach to decision-making, which is likely to foster a collaborative working environment. The findings are stipulated in table 4.8 above.

4.3.3 Timely submission of purchase requisitions.

Concerning the effective timely submission of purchase requisitions on compliance, the study established that in KNH there was a general agreement that the facility embraces timely submission of purchase requisitions; this is represented by the mean of 3.89 and a standard deviation of 1,197. The lower standard deviation indicates that responses are more clustered around the mean, showing more consistency in the opinions. The findings are stipulated in table 4.8 above.4.3.4 Need identification

The study established that need identification was not crucial in maintaining procurement compliance at the KNH. This is represented by a mean of 1.93 and a standard deviation of 1.120. This implies that respondents tend to disagree or strongly disagree with the statement regarding need identification when it comes to maintaining procurement compliance. The lowest standard deviation among the variables indicates that this is a more uniformly held view, with less variability in responses. The findings are stipulated in table 4.8 above.

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4.3.5 Proper documentation and record-keeping

In the area of how proper documentation and record-keeping supports procurement compliance at KNH**,** the respondents generally agree that proper documentation and record-keeping supports procurement compliance with a mean of 3.82, and a standard deviation of 1.362, the variability in responses suggests a moderate spread of opinions, indicating that while many agree, some may have differing views.

A significant portion of respondents, 67.86%, agreed or strongly agreed that proper documentation and record-keeping support procurement compliance, reflecting a positive perception of the hospital's commitment to continuous improvement. Only 10.71% strongly disagreed, indicating general satisfaction with the organization's efforts in this area. The findings are stipulated in table

4.8 above.

4.4 Procurement Methods.

The study examined the influence of procurement methods on organizational performance in reference to Kenyatta National Hospital (KNH), mainly focusing on the use of ICT to improve procurement efficiency and performance, the impact action-oriented decisions on the organizational performance, effects of performance appraisal on motivation of procurement staff and improvement of performance, the effects of timely supplier payments on supplier relationships and performance, and the effects of adequate budget allocation on effective procurement practices.

4.4.1 Use of ICT in Procurement

The mean score of 3.89 suggests that most respondents agree that the use of ICT improves procurement efficiency and performance. The standard deviation (1.197) indicates a moderate

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level of variation in responses. This implies that integrating ICT is perceived as beneficial but is not uniformly implemented or effective across all contexts. These findings are in agreement with Karanja (2014) who found that ICT adoption in procurement enhances operational transparency, reduces costs, and ensures timely supplier communication, aligning with findings from other healthcare settings. The findings are stipulated in table 4.8 below.

4.4.2 Action-Oriented Decisions

A mean of 3.39 indicates that respondents moderately agree that action-oriented decisions impact organizational performance. However, the high standard deviation (1.707) reveals substantial variability in opinions. This suggests inconsistent application of action-oriented decision-making, potentially due to varying managerial styles or unclear performance metrics in procurement. The Resource-Based View (RBV) posits that strategic decision-making capabilities are crucial for leveraging organizational resources to improve performance. Empirical studies show that proactive decision-making improves resource allocation and responsiveness, enhancing service delivery in public institutions (Hassan, 2019). The findings are stipulated in Table 4.9 below

4.4.3 Performance Appraisal and Staff Motivation

The high mean score of 4.07 indicates strong agreement that performance appraisal motivates procurement staff and improves performance. The standard deviation (1.152) suggests a relatively consistent view among respondents. This highlights the importance of effective appraisal systems in boosting staff morale and productivity, thereby improving organizational outcomes. The stakeholder theory (Freeman, 1984) explains that performance appraisals serve as motivators, increasing job satisfaction and performance. Performance appraisals are linked to improved employee commitment and reduced turnover, ultimately enhancing organizational efficiency (Armstrong, 2014). The findings are stipulated in Table 4.9 below

4.4.4 Timely Supplier Payments

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A mean of 4.32 and a low standard deviation (0.863) show strong agreement that timely supplier payments enhance supplier relationships and performance, with minimal variation. This emphasizes the critical role of maintaining good financial practices to build trust and reliability in supplier partnerships. Resource Based Theory, Lewis et al., (2010) suggest that reliable financial practices ensure smoother supplier relations and lower operational risks. Moreover, empirical studies by Odhiambo (2014) support these findings whereby he indicates that payments prevent supply chain disruptions and contribute to more favourable negotiation terms with suppliers, improving overall procurement outcomes. The findings are stipulated in Table 4.8 below Adequate Budget Allocation

The mean score of 2.32 indicates disagreement that budget allocation is adequate to support effective procurement practices, and the standard deviation (1.249) suggests diverse views on this

issue. This finding reveals a significant constraint in resource allocation, likely leading to procurement inefficiencies and suboptimal performance in public hospitals. The Resource Based

Theory, Lewis et al., (2010) explain that insufficient resources are a bottleneck, limiting the effectiveness of procurement strategies and overall performance. Budgetary constraints are a common challenge in public healthcare, often resulting in stockouts, delayed procurement processes, and poor service delivery (Nyaga, 2015). These findings are stipulated in table 4.9 below.

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Table 4.9: Procurement Meth

Statement	Strongly disagree (%)	Disagree N (%)	Neutral N (%)	Agree N (%)	Strongly agree N (%)	Mean	Std. deviation
a) The use of ICT improves procurement efficiency and performance.	2(7.14)	1(3.57)	6(21.43)	8(28.57)	11(39.29)	3.89	1.197
b) Action-oriented decisions positively impact organizational performance.	1 (3.57)	4 (14.29)	2 (7.14)	8 (28.57)	13 (46.43)	3.39	1.707
c) Performance appraisal motivates procurement staff and improves performance.	2(7.14)	3(10.71)	6(21.43)	9(32.14)	8(28.57)	4.07	1.152
d) Timely supplier payments enhance supplier relationships and performance.	0(0)	1(3.57)	4 (14.29)	8 (28.57)	14 (50.00)	4.32	0.863
e) Adequate budget allocation supports effective procurement practices.	7(25.00)	3 (10.71)	2 (7.14)	4 (14.29)	12 (42.86)	2.32	1.249

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4.5 Awareness of legal requirements.

The study sought to examine the level of awareness of legal requirements at Kenyatta National Hospital (KNH). The areas of focus were: Public Procurement and Asset Disposal Act, 2015, enforcement of procurement regulations, ethical guidelines during tendering and contracting, compliance with supplier eligibility criteria, procedures for handling supplier complaints, Public Procurement and Asset Disposal Act, 2015.

Table 4.10: Awareness of legal requirements.

Statements	Strongly disagree (1) N (%)	Disagree (2) N (%)	Neutral (3) N (%)	Agree (4) N (%)	Strongly agree (5) N (%)	Mean	Std. Deviation
a) Public Procurement and Asset Disposal Act, 2015	4(14.29)	2(7.14)	3(10.71)	8(28.57)	11 (39.29)	3.71	1.436
b) Enforcement of procurement regulations	5(17.86)	2(7.14)	7(25.00)	6 (21.43)	8 (28.57)	3.96	1.170
c) Ethical guidelines during tendering and contracting	1(3.57)	3 (10.71)	4 (14.29)	8(28.57)	12 (42.86)	3.36	1.446
d) Compliance with supplier eligibility criteria	3 (10.71)	1 (3.57)	2(7.14)	8(28.57)	14 (50.00)	4.04	1.319
e) Procedures for handling supplier complaints	3(10.71)	6(21.43)	9(32.14)	8(28.57)	4.07	1.152	2(7.14)
a) Public Procurement and Asset Disposal Act, 2015	3 (10.71)	4 (14.29)	8(28.57)	12 (42.86)	3.36	1.446	1(3.57)

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(Source: Research data, 2024)

4.5.1 Public Procurement and Asset Disposal Act, 2015

A mean score of 3.71 and a high standard deviation of 1.436 indicate moderate awareness of the Act among respondents, with a large variation in responses. This suggests that while some staff are familiar with the Act, there is a lack of uniform understanding across the organization, which may lead to inconsistent application of the law. The hospital must ensure compliance with legal requirements to meet the expectations of external stakeholders like the government and regulatory bodies as depicted in the Stakeholder Theory (Freeman, 1984). Awareness of procurement laws is linked to reduced malpractices and increased transparency (Mwangi, 2017). The findings are stipulated in Table 4.10 above

4.5.2 Enforcement of Procurement Regulations

With a mean of 3.96 and a standard deviation of 1.170, most respondents agree that procurement regulations are enforced, but the variance indicates differing perceptions. This points to sporadic enforcement, which could undermine trust in the procurement system and create opportunities for non-compliance. The systems theory (Hespanha, 2018), purports that Proper enforcement is vital to ensure that all components of the procurement process function cohesively. Effective enforcement ensures accountability and consistency in procurement, enhancing organizational efficiency (Kinyanjui, 2016). The findings are stipulated in Table 4.10 above

4.5.3 Ethical Guidelines During Tendering and Contracting

A mean score of 3.36 and a high standard deviation (1.446) show moderate awareness of ethical guidelines, with substantial variability among staff. This suggests that while ethical guidelines are

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known, adherence varies, which could result in unethical practices such as favouritism or bribery. According to the Stakeholder Theory (Freeman, 1984), ethical compliance is crucial to maintaining legitimacy and positive relationships with suppliers and the public. Adherence to ethical standards in procurement is necessary for building trust and ensuring fair competition (Hong, 2017).

4.5.4 Compliance with Supplier Eligibility Criteria

The highest mean score of 4.04 and a relatively lower standard deviation (1.319) indicate strong awareness and consistent compliance with supplier eligibility criteria. This suggests that KNH has robust procedures in place to ensure that only qualified suppliers are engaged, which contributes to quality procurement outcomes. The Resource-Based Theory (Lewis et al., 2010) is consistent with these findings as it posits that organizations can achieve a competitive advantage by optimizing their internal resources. In this context, KNH's strategic selection of qualified suppliers allows it to effectively utilize its procurement resources, ensuring that high-quality materials and services are procured. This, in turn, supports enhanced service delivery and operational efficiency, aligning with the theory's emphasis on leveraging valuable resources to achieve superior performance outcomes. The findings are stipulated in Table 4.10 above Procedures for Handling Supplier Complaints

The findings on Procedures for Handling Supplier Complaints at KNH show a mean score of 3.36 and a high standard deviation of 1.446. This suggests a moderate level of awareness and substantial variability in how these procedures are perceived or implemented by staff. The high variability may indicate inconsistencies in understanding or applying complaint-handling procedures, which could impact supplier satisfaction and the overall efficiency of procurement processes. Such gaps highlight the need for standardized training and clearer communication to align staff practices with procurement guidelines. This can be further underscored by the Stakeholder Theory (Freeman, 1984), which states that consistent complaint handling is vital to maintaining good supplier relationships and meeting stakeholder expectations for fairness and transparency. An effective supplier complaint mechanism is associated with improved supplier satisfaction and fewer disputes

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(Njagi & Karanja, 2015).

The findings show that while there is general awareness of procurement laws and procedures, gaps in knowledge and inconsistent enforcement of regulations could undermine compliance and lead to inefficiencies. KNH needs to enhance training and ensure uniform understanding and application of procurement laws among its staff to improve overall organizational performance. The findings are stipulated in Table 4.10 above.

4.6 Performance Measures

The researcher sought to establish the performance measures at Kenyatta National Hospital (KNH). The focus of the study was: Timely, quality healthcare services, Patient satisfaction, employee performance and retention, financial sustainability and Access to healthcare services.

Table 4.11: Effects of procurement practices on performance

Statement	Strongly disagree 1 N (%)	Disagree 2 N (%)	Neutral 3 N (%)	Agree 4N (%)	Strongly agree 5N (%)	Mean	Std. deviation
a) Timely, quality healthcare services	3(10.71)	6(21.43)	9(32.14)	8(28.57)	4.07	1.152	2(7.14)
b) Patient satisfaction	10(35.71)	8(28.57)	1(3.57)	6(21.43)	5(17.86)	2.54	1.527
c) Employee performance and retention	1(3.57)	4(14.29)	6(21.43)	9(32.14)	8(28.57)	3.68	1.156
d) financial sustainability	4(14.29)	7(25.00)	8(28.57)	6(21.43)	3 (10.71)	2.89	1.227
e) Access to healthcare services	1 (3.57)	4 (14.29)	2 (7.14)	8 (28.57)	13 (46.43)	3.39	1.707

(Source: Research data, 2024)

4.6.1 Timely, Quality Healthcare Services

The extremely low mean score of 1.152 signals a critical perception of delays and inefficiencies in

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delivering healthcare services. Research by Njagi (2015) corroborates the link between timely service and improved patient outcomes, underscoring the urgency of addressing these issues to foster better health results.

4.6.2 Patient Satisfaction

With a moderate mean score of 2.54 coupled with a high standard deviation of 1.527, the findings indicate a mixed perception of patient satisfaction at KNH. The Stakeholder Theory (Freeman, 1984) suggests that understanding and addressing patient needs are critical for organizational success. This inconsistency in experiences can lead to dissatisfaction, which may affect patient loyalty and the hospital reputation. Therefore, enhancing patient engagement and feedback mechanisms can help the hospital align services more closely with patient expectations. The findings are stipulated in Table 4.11 above

4.6.3 Employee Performance and Retention

The relatively high mean of 3.68 reflects a generally positive sentiment among employees regarding their performance and retention at KNH. However, there remains a risk of losing valuable staff if underlying issues such as workload pressures and limited career development opportunities are not addressed. Prioritizing employee morale through targeted initiatives, such as training, recognition programs, and clear pathways for advancement, could bolster both performance outcomes and retention rates. This investment in human capital is consistent with the Resource-Based Theory (Lewis et al., 2010), which posits that skilled personnel are vital to achieving competitive advantages within healthcare systems. The findings are stipulated in Table 4.11 above

4.6.4 Financial Sustainability

The findings stipulated in Table 4.11 above show a mean score of 2.89 indicating prevalent financial concerns within the organization, which may hinder its capacity to deliver quality healthcare services. Financial challenges could stem from budget constraints, inefficient

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management practices, or over-reliance on external funding sources. The Resource Based Theory Lewis et al. (2010), supports this finding by emphasizing that an organization's ability to leverage its resources effectively including financial resources is essential for achieving a competitive advantage.

Empirically, a study by Njagi (2015) highlights the correlation between effective financial management practices and the quality of healthcare services. It suggests that hospitals facing financial constraints often struggle to maintain quality, which resonates with KNH's situation. Additionally, Stakeholder Theory (Freeman, 1984) underscores the importance of addressing the concerns of various stakeholders, including patients and staff, who are directly affected by financial sustainability issues.

4.6.5 Access to Healthcare Services

The mean score of 3.39 suggests a reasonable level of access to healthcare services, yet the observed variation indicates potential disparities in availability across different patient demographics. Such discrepancies may stem from geographic, socioeconomic, or systemic barriers that affect specific groups disproportionately. Addressing these inequities is essential for enhancing overall healthcare effectiveness and ensuring that all community members have the opportunity to receive necessary medical services. Employing strategies to increase access, such as mobile clinics or outreach programs, could help mitigate these disparities and align with broader public health objectives. The findings are stipulated in Table 4.10 above

4.7 Inferential Statistics.

The study used multiple regression analysis and correlations to explore how different practices affect procurement performance in KNH. By doing so, we aimed to uncover the connections between these independent variables and their impact on the dependent variable, which is procurement performance.

4.7.1 Regression analysis

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The use of regression analysis in the study is a key method for understanding the relationship between multiple independent variables and a dependent variable. In this context, the regression analysis was used to examine the influence of independent variables such as procurement methods, awareness of legal requirements, and compliance to procurement practices on the performance measures in public hospitals. The study's goal of understanding the dynamics of procurement practices and their impact on performance aligns perfectly with the capabilities of regression analysis, making it a critical tool for substantiating the findings and driving actionable insights for improving hospital management and performance.

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Table 4.12: model summary

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.951[a]	.904	.892	.471

a. Predictors: (Constant), influence of procurement methods, Awareness of Legal Requirements, compliance to procurement practices

The table presents the results of a multiple regression analysis aimed at evaluating the impact of three predictors: influence of procurement methods, awareness of legal requirements, and compliance with procurement practices on performance measures in public hospitals. The R-value of 0.951 represents the correlation between the observed and predicted values of the dependent variable (performance measures). This high correlation (R = 0.951) suggests that there is a very strong positive relationship between the independent variables (procurement methods, legal awareness, compliance) and the performance outcomes. The high R-value indicates that the combined effect of the three predictors is strongly correlated with the performance of public hospitals. This implies that hospitals which invest in effective procurement methods, ensure legal awareness, and enforce compliance will likely experience significant performance improvements. These findings are backed up by Knudsen (2019) who found a strong positive correlation between standardized procurement processes and organizational performance in public healthcare institutions. The high R-value here echoes his findings, suggesting that effective procurement methods can enhance service delivery and operational efficiency.

The Adjusted R Square of 0.892 provides a more accurate measure of the proportion of variance explained by the model by adjusting for the number of predictors. It shows that after accounting for the number of predictors, the model still explains 89.2% of the variance in performance measures. The slight drop from the R Square value (90.4%) to the Adjusted R Square (89.2%)

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suggests that the predictors used in this model are strong, with minimal overfitting. The independent variables (procurement methods, legal awareness, compliance) are still very effective in explaining the variance in hospital performance, making the model robust. The relatively low standard error (0.471) indicates that the model's predictions are highly accurate. This means that procurement methods, legal awareness, and compliance with procurement practices can reliably predict the performance of public hospitals with only a small margin of error.

Table 4.13: ANOVA.

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	49.929	3	16.643	75.068	.000[b]
	Residual	5.321	24	.222		
	Total	55.250	27			

a. Dependent Variable: Performance Measures

b. Predictors: (Constant), influence of procurement methods, Awareness of Legal Requirement compliance to procurement practices

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The ANOVA table presents the statistical findings regarding the influence of procurement methods, awareness of legal requirements, and compliance with procurement practices on performance measures in public hospitals. The sum of squares measures the total variance in the dependent variable (performance measures). The total sum of squares (55.250) is split between the regression sum of squares (49.929), which is the variance explained by the independent variables (procurement methods, legal awareness, and compliance), and the residual sum of squares (5.321), which represents the variance not explained by the model. The high value of the regression sum of squares (49.929) compared to the residual (5.321) indicates that the independent variables explain a significant portion of the variance in performance measures. This suggests that effective

procurement methods, awareness of legal requirements, and compliance practices contribute meaningfully to performance outcomes in public hospitals.

The F-statistic of 75.068 is very high, indicating that the regression model is statistically significant. In other words, procurement methods, legal awareness, and compliance practices significantly influence performance measures. The high F-statistic underscores the combined impact of procurement methods, legal awareness, and compliance on performance. It suggests that the model used in the study is robust and that these independent variables are significant predictors of performance in public hospitals.

The p-value of < .001 indicates that the relationship between the independent variables (procurement methods, legal awareness, and compliance) and the dependent variable (performance measures) is statistically significant. There is less than a 0.1% probability that the observed results occurred by chance. The statistically significant p-value demonstrates that procurement practices, legal awareness, and compliance are essential contributors to performance KNH. This suggests that hospitals focusing on these factors are more likely to achieve better performance outcomes. These findings are aligned with the findings of (McCue, 2000) which showed that public institutions that prioritize compliance with procurement regulations and adopt effective procurement practices see statistically significant improvements in operational efficiency and overall performance. The p-value < .001 in the current study echoes their findings, underscoring the importance of compliance. The statistical findings from the ANOVA table demonstrate the significant role that procurement methods, legal awareness, and compliance with procurement practices play in determining the performance of public hospitals.

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Table 4.14: Coefficients

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.449	.213		2.107	.046
	Compliance to procurement practices	.343	.346	.350	.994	.330
	Awareness of Legal Requirements	.447	.347	.433	1.288	.210
	Influence of procurement methods	.174	.481	.175	.362	.721

a. Dependent Variable: Performance Measures

The table provides the coefficients of the multiple regression analysis, showing the relationship between the dependent variable (Performance Measures) and the independent variables (Compliance to Procurement Practices, Awareness of Legal Requirements, and Influence of Procurement Methods). The constant value (B = 0.449) represents the predicted value of the dependent variable (performance measures) when all independent variables are equal to zero. The p-value (0.046) is statistically significant, indicating that the constant has a meaningful contribution to the model.

The unstandardized coefficient (B = 0.343) indicates that for every unit increase in compliance with procurement practices, the performance measures are expected to increase by 0.343 units. The standardized coefficient (β = 0.350) shows the relative importance of this variable compared to others. However, the p-value (0.330) is not statistically significant, indicating that the effect of compliance on performance is not significant in this model. Although compliance with procurement practices has a positive relationship with performance, its impact is not statistically significant, suggesting that compliance alone may not be a strong determinant of performance in public hospitals without the support of other factors like training or technology adoption.

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CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS.

5.0 Introduction.

This chapter comprises the summary of the major findings, the conclusions and the recommendations of the study.

5.1 Summary of Major Findings.

The majority of procurement staff at KNH were aged 41-50 years old (50%), indicating a middle-aged workforce likely to possess substantial experience. 21.4% were above 50 years old, indicating that over 70% of the workforce were in the mid or late career stages. Meanwhile, younger employees (under 30 years) constitute only 10.7%, suggesting a lower representation of early-career professionals. The educational qualifications were widely distributed. Most respondents held diplomas (35.7%), while 28.6% had certificates. A minority of the respondents possessed bachelor's degrees (25%) and only 7.1% had a master's degree. This reflects a diverse educational background, with more emphasis on diploma and certificate qualifications. Only 3.6% had attained PhDs or other advanced qualifications.

Among the respondents, 42.9% were Procurement Officers, forming the largest group. 39.3% were Senior Officers, while 17.9% represented general Procurement Staff. This distribution suggests a well-structured hierarchy within the procurement department at KNH, with a good balance between operational staff and leadership roles. Over 50% of the respondents had between 6 to 10 years of experience in procurement, signifying a relatively seasoned workforce with a strong understanding of the hospital's procurement processes. 28.6% of staff had worked for 11 to 15 years, contributing to institutional knowledge, while a smaller percentage (14.3%) have worked for 1 to 5 years, representing newer staff who may require more training. Only 3.6% had

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over 16 years of experience, indicating limited long-term retention. The salary range among KNH procurement staff shows that 42.9% earned between 31,000 and 60,000 KES, representing mid-level staff. Meanwhile, 32.1% of respondents earned 30,000 KES or below, indicating that a significant portion of the workforce may be receiving lower salaries, possibly affecting job satisfaction. The highest-earning group (those receiving between 61,000 and 90,000 KES) constituted 25% of the staff, likely representing more senior positions.

5.1.2 Factors that influence compliance to procurement practices in public hospitals.

The study explored the various factors influencing compliance with procurement practices at Kenyatta National Hospital (KNH). One of the most significant factors was staff training on procurement regulations. The data showed a mean score of 3.82 with a standard deviation of 1.362, indicating that a substantial majority of respondents agree that training played a crucial role in enhancing compliance. Specifically, 67.86% of respondents either agreed or strongly agreed that training positively influenced compliance levels. However, it is noteworthy that 10.71% of respondents expressed strong disagreement, suggesting some dissatisfaction or differing opinions regarding the effectiveness of the current training initiatives.

In addition to training, the study also examined the impact of ethical practices during the tendering process. The responses yielded a mean score of 2.32 and a standard deviation of 1.362, indicating general disagreement or neutrality among respondents. Despite this, a considerable 64.28% of participants acknowledged that ethical practices significantly affected compliance, highlighting a potential area for improvement. The high standard deviation further underscored the diverse opinions on this topic, suggesting a lack of uniformity in perceptions of ethical practices at KNH.

Another key factor identified was the timeliness of purchase requisitions. The mean score for this aspect was 3.89, accompanied by a lower standard deviation of 1.197. This indicates that

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respondents generally agreed that timely submissions enhanced compliance with procurement practices. The consistency in responses is reflected in the fact that 39.29% of respondents strongly agreed with this statement, suggesting that KNH has effective processes in place regarding this aspect of procurement.

Conversely, the findings regarding need identification presented a different perspective. The mean score of 1.93 and a standard deviation of 1.120 suggest that respondents predominantly disagreed or strongly disagreed with the assertion that need identification was critical for maintaining procurement compliance. This consensus reflects uncertainty regarding the significance of need identification within the procurement process and indicates a uniformly held view among participants.

Finally, the study assessed the importance of proper documentation and record-keeping in supporting compliance efforts. The mean score of 3.82, with a standard deviation of 1.362, suggests that respondents generally agreed on this factor's significance. Approximately 67.86% of respondents agreed or strongly agreed that accurate documentation is essential for compliance, indicating that KNH is perceived to perform relatively well in maintaining records to support procurement practices.

5.1.3 The level of awareness of legal requirements in the procurement

This section of the report explores the level of awareness among staff at Kenyatta National Hospital (KNH) regarding legal requirements in the procurement process. The findings highlight several critical aspects related to the staff's understanding and adherence to procurement regulations, as well as potential gaps that could affect overall compliance and efficiency.

The data reveals a moderate awareness of the relevant procurement laws, particularly the Public Procurement and Asset Disposal Act, with a mean score of 3.71. However, the high standard deviation of 1.436 indicates significant variability in staff knowledge. This inconsistency could

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result in uneven compliance across departments, increasing the risk of non-compliance with procurement regulations. In terms of the enforcement of procurement regulations, the mean score of 3.96 suggests that many respondents agree regulations are enforced, though there is notable variability in responses. This inconsistency could potentially undermine trust in the procurement process, as some staff may perceive a lack of uniformity in how regulations are applied.

Regarding awareness of ethical guidelines, the survey results show a mean score of 3.36, indicating moderate awareness among staff. However, the substantial variability in responses suggests that adherence to ethical guidelines may vary significantly across departments, increasing the potential for unethical practices to occur within the procurement process. Conversely, awareness and compliance with eligibility criteria for supplier engagement appear to be strong. A mean score of 4.04 reflects that staff are well-informed and consistently comply with these criteria, indicating effective supplier management practices at KNH.

The procedures for handling supplier complaints show a mean score of 3.36 with a high standard deviation of 1.446, pointing to moderate awareness but substantial variability in staff understanding. This inconsistency could negatively impact supplier satisfaction and reduce procurement efficiency, as unclear procedures may hinder the timely resolution of complaints.

5.1.4 The influence of procurement methods on performance in public hospitals.

The study investigated the role of Information and Communication Technology (ICT), decision-making, and performance appraisals in enhancing procurement efficiency and organizational performance at Kenyatta National Hospital (KNH).

The study findings show a mean score of 3.89, indicating a general agreement among respondents that ICT plays a vital role in improving procurement efficiency and performance. When it comes to decision-making, a mean score of 3.39 suggests moderate agreement that action-oriented decisions positively impact organizational performance. Performance appraisals received a strong

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mean score of 4.07, indicating that respondents widely agree that regular appraisals motivate procurement staff and enhance their performance. The relatively low standard deviation of 1.152 shows consistency in this view across respondents, suggesting that performance evaluations are perceived as an effective tool for maintaining staff motivation and improving efficiency. This highlights the importance of maintaining regular and fair appraisals to ensure continued staff engagement and optimal performance within the procurement department.

Timely payments to suppliers emerged as a particularly strong factor influencing procurement performance. With a mean score of 4.32 and a low standard deviation of 0.863, there is near-unanimous agreement among respondents that timely payments improve supplier relationships and overall procurement performance. This finding underscores the critical role of sound financial management in ensuring smooth procurement operations and maintaining trust and reliability within the supply chain. It reflects a clear understanding of the importance of adhering to financial commitments as a means of fostering strong partnerships with suppliers and ensuring uninterrupted service delivery.

5.1.5 Performance Measures

This study aimed to examine the effects of procurement practices on key performance measures at Kenyatta National Hospital (KNH). The performance measures analyzed included timely and quality healthcare services, patient satisfaction, employee performance and retention, financial sustainability, and access to healthcare services

The mean score of 4.07 indicated that respondents generally agreed that procurement practices have a positive impact on timely and quality healthcare services. However, the high standard deviation (1.152) points to variations in perceptions, suggesting inefficiencies or delays in healthcare delivery. The mean score of 2.54 revealed mixed perceptions regarding patient satisfaction, with a high standard deviation (1.527) reflecting inconsistency in patient experiences.

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This variability indicates that while some patients are satisfied, others face challenges that affect their overall perception of care at KNH.

The relatively high mean score of 3.68 suggests that employees at KNH generally perceive their performance and retention positively. However, the standard deviation of 1.156 suggests differences in employee sentiments, potentially tied to job satisfaction and workload pressures.

The mean score of 2.89 indicates concerns over KNH's financial sustainability. Respondents highlighted financial constraints that may hinder the hospital's capacity to deliver quality services.

With a mean score of 3.39, the data suggest a reasonable level of access to healthcare services. However, the standard deviation of 1.707 indicates disparities in service access, potentially due to geographic, socioeconomic, or operational factors.

This study utilized multiple regression analysis and ANOVA to examine the influence of procurement methods, awareness of legal requirements, and compliance with procurement practices on performance measures in Kenyatta National Hospital (KNH). The study's goal was to examine how these factors affect procurement performance in the hospital setting.

The regression analysis revealed a strong positive relationship between the independent variables (procurement methods, legal awareness, compliance) and the performance measures, with an R-value of 0.951, indicating a high correlation. This suggests that procurement practices significantly affect the overall performance of KNH. The Adjusted R Square value of 0.892 shows that 89.2% of the variance in hospital performance is explained by the three predictors. The F-statistic of 75.068 and a p-value of less than 0.001 indicated that the regression model was statistically significant, meaning that procurement methods, awareness of legal requirements, and compliance practices have a significant impact on hospital performance. While there was a

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positive relationship between compliance to procurement practices, awareness of legal requirements, and the influence of procurement methods on performance, the individual p-values for these predictors (0.330 for compliance, 0.210 for legal awareness, and 0.721 for procurement methods) were not statistically significant. This suggests that while these factors are important, other unmeasured variables may also be influencing performance outcomes.

5.2 Conclusions

Based on the findings of the study regarding procurement practices and their impact on performance at Kenyatta National Hospital (KNH), the following conclusions can be drawn:

The procurement staff at KNH are predominantly middle-aged, with significant experience in the field. This indicates a strong foundation of institutional knowledge and expertise, which can positively influence procurement practices and decision-making processes.

While there is a mix of educational qualifications among procurement staff, the prevalence of diploma and certificate holders suggests a need for further education and professional development. Enhanced educational qualifications could improve compliance and procurement efficiency.

Staff training on procurement regulations is crucial for ensuring compliance. A significant proportion of respondents acknowledged the positive impact of training on compliance, highlighting the necessity for ongoing training initiatives to address gaps and improve understanding of procurement processes.

There is a lack of uniformity in perceptions regarding ethical practices during the tendering process. While many recognize their importance, the varying opinions indicate that ethical standards may not be consistently applied, suggesting a need for stronger ethical guidelines and training.

The timeliness of purchase requisitions is positively correlated with compliance, indicating that

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efficient processes are in place. However, the need for improvement in the identification of procurement needs was noted, highlighting a gap in the initial stages of the procurement process.

The moderate awareness of legal procurement regulations among staff, coupled with significant variability in knowledge, suggests that not all employees are equally informed. This inconsistency can lead to uneven compliance and poses risks for the hospital.

Information and Communication Technology (ICT) plays a vital role in enhancing procurement efficiency. The positive views on decision-making and performance appraisals reflect an understanding of the need for action-oriented strategies to drive organizational performance.

Timely payments to suppliers are viewed as critical for maintaining strong supplier relationships and overall procurement performance. This finding underscores the importance of sound financial management within the procurement process.

The study indicated general agreement on the positive impact of procurement practices on timely and quality healthcare services. However, mixed perceptions regarding patient satisfaction and financial sustainability highlight the challenges faced by KNH in delivering consistent, high-quality care.

The strong positive relationship between procurement practices, legal awareness, compliance, and performance measures indicates that these factors collectively influence hospital performance. However, the lack of statistically significant individual predictors suggests that other unmeasured variables may also affect outcomes, warranting a more comprehensive evaluation.

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5.3 Recommendations.

The findings from this study provide a comprehensive view of the procurement landscape at Kenyatta National Hospital (KNH), highlighting both strengths and areas for improvement. Here are recommendations based on these findings: Prioritize Training for Younger Professionals and Upskilling Mid-Career Staff The workforce at KNH is predominantly in the middle and late

career stages, with a lower representation of early- career professionals (only 10.7% under 30 years). This suggests a need to increase the recruitment of younger staff and provide structured mentorship programs to fast-track their development.

Standardize Training Programs and Ethical Practices While training is recognized as a significant factor in improving compliance, with 67.86% of respondents agreeing, 10.71% expressed dissatisfaction, pointing to inconsistencies in training effectiveness. Incorporate ethics training specifically focused on public procurement laws and ethical guidelines to address the diverse views on ethics during tendering. The mean score of 2.32 suggests that ethical practices are an area for improvement.

Strengthen Need Identification and Forecasting Capabilities The low mean score (1.93) for need identification reflects a major gap in KNH's procurement process. Integrating need identification into the procurement planning cycle, aligning it with department budgets, operational targets, and healthcare service demands.

Conduct Continuous Legal Training and audits Mandate regular legal training for procurement officers, focusing on updates to procurement regulations and emphasizing practical application. Collaborating with the Public Procurement Regulatory Authority (PPRA) could enhance these efforts. Conduct regular compliance audits to ensure adherence to procurement laws and regulations across all departments, addressing inconsistencies in enforcement (mean score of 3.96) and increasing accountability.

Addressing Financial Sustainability and Improving Patient Satisfaction**.** The study raised concerns about KNH's financial sustainability (mean score of 2.89) and mixed perceptions of patient satisfaction (mean score of 2.54). KNH should Improve patient satisfaction by addressing inefficiencies in the procurement of medical supplies, ensuring that necessary resources are available for timely and quality care delivery.

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Addressing Disparities in Access to Healthcare Services The disparities in access to healthcare services (mean score of 3.39, with a high standard deviation of 1.707) suggest that KNH should **e**nsure equitable distribution of resources across departments, improving procurement planning to align with patient needs and operational capacity.

5.3.1 Suggestions for Further Research

Based on the findings of this study, here are suggestions for areas for further studies should include

Examining the role of ethics training programs and their impact on minimizing corruption in the tendering process in public hospitals.,

Investigate how procurement strategies can contribute to or alleviate financial constraints in public healthcare systems and

Analyze the direct relationship between the efficiency of procurement processes (e.g., timely delivery of medical supplies) and patient satisfaction in public hospitals.

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APPENDICES

Appendix I: RESEARCH QUESTIONNAIRE

This questionnaire is divided into short sections that should take only a few moments of your time to complete. The sections include quality management, information communication technology, staff competences and finance. Please respond by ticking the appropriate box. Your responses will be handled with confidentiality and ethics. Once again, I thank you for accepting to participate in this academic study.

Part 1 General questioners.

Section A: General /Demographic Data

Kindly tick (√) on the options that best describes you.

1. Indicate your age bracket

a) Less than 30 years ( )

b) 31 to 40 years ( )

c) 41 to 50 years ( )

d) Over 50 years ( )

2. indicate the highest level of education you have attained.

a) Certificate ( )

b) Diploma ( )

c) Degree ( )

d) Master ( )

e) PhD Others……..

3. Indicate the position you hold in the hospital

a) Senior Procurement officer ( )

b) Procurement officer ( )

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c) Procurement operations staff ( )

4. Indicate the number of years worked in your station

a) 1-5yrs ( )

b) 6-10( )

c) 11-15 ( )

d) 16 and Above ( )

5. Range of salaries earned.

a) 30,000 and below ( )

b) 31,000 to 60,000 ( )

c) 61,000 to 90,000 ( )

d) 91,000 to 120,000 ( )

e) 121,000 and above ( )

Part 2 variables questionnaires.

Compliance to Procurement Practices

Objective 1: To establish the factors that influence compliance to procurement practices in public hospitals.

what factors affect compliance with procurement practices in your hospital? *(Please rate on a scale of 1–5, where 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree)***Statement**	**1**	**2**	**3**	**4**	**5**
a) Staff training on procurement regulations influences compliance.	☐	☐	☐	☐	☐
b) Ethical practices during the tendering process affect compliance.	☐	☐	☐	☐	☐

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c) Timely submission of purchase requisitions enhances compliance.	☐	☐	☐	☐	☐
d) Need identification is crucial in maintaining procurement compliance.	☐	☐	☐	☐	☐
e) Proper documentation and record-keeping support procurement compliance.	☐	☐	☐	☐	☐

Section C: Awareness of Legal Requirements

Objective 2: To examine the level of awareness of legal requirements in the procurement process in public hospitals.

1. How familiar are you with the following legal requirements in the procurement process? *(Please rate on a scale of 1–5, where 1 = Not Familiar, 2 = Slightly Familiar, 3 = Neutral, 4 = Familiar, 5 = Very Familiar)*

Legal Requirement	**1**	**2**	**3**	**4**	**5**
a) Public Procurement and Asset Disposal Act, 2015	☐	☐	☐	☐	☐
b) Enforcement of procurement regulations	☐	☐	☐	☐	☐
c) Ethical guidelines during tendering and contracting	☐	☐	☐	☐	☐
d) Compliance with supplier eligibility criteria	☐	☐	☐	☐	☐
e) Procedures for handling supplier complaints	☐	☐	☐	☐	☐

☐

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Section D: Procurement Methods and Organizational Performance

Objective 3: To investigate the influence of procurement methods on performance in public hospitals.

4. Please indicate the extent to which you agree with the following statements regarding procurement methods in your hospital:

(1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree)

1. (1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree)

Statement	**1 2 3 4 5**
a) The use of ICT improves procurement efficiency and performance.	☐☐☐☐☐
b) Action-oriented decisions positively impact organizational performance.	☐☐☐☐☐
c) Performance appraisal motivates procurement staff and improves performance	☐☐☐☐☐
d) Timely supplier payments enhance supplier relationships and performance.	☐☐☐☐☐
e) Adequate budget allocation supports effective procurement practices.	☐☐☐☐☐

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Section E: Performance Measures

How do you rate the following aspects of organizational performance in your hospital? *(1 = Very Poor, 2 = Poor, 3 = Average, 4 = Good, 5 = Excellent)*

Performance Measure	**1**	**2**	**3**	**4**	**5**
a) Timely, quality healthcare services	☐	☐	☐	☐	☐
b) Patient satisfaction	☐	☐	☐	☐	☐
c) Employee performance and retention	☐	☐	☐	☐	☐
d) financial sustainability	☐	☐	☐	☐	☐
e) Access to healthcare services	☐	☐	☐	☐	☐
f) Implementation of technology and innovation	☐	☐	☐	☐	☐

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Appendix 2: plagiarism Report

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Appendix 3: university recommendation to conduct research

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Private Bag 00217 LIMURU, KENYA
Email: office@spu.ac.ke
Website: www.spu.ac.ke

Tel Office: +254 (0) 20-2020505/10
Mobile: +254 (0) 728 - 669000
(0) 736 - 424440

BOARD OF POSTGRADUATE STUDIES

28th June, 2024

National Commission for Science and Technology,
P.O. BOX 30623-00100,
Nairobi.

Dear Sir/Madam,

RE: RECOMMENDATION FOR MARY JILLO WATO – MBANRB215419 TO CONDUCT RESEARCH

This letter confirms the above-named person is a student in the Master of Business Administration Program at St. Paul's University.

The second year consists of a major research work leading to a Thesis. The student's selected topic is:

"Procurement practices and performance of public institutions in Kenya."

Kindly grant this student the required permit.

Yours Faithfully,

DIRECTOR POSTGRADUATE STUDIES ST. PAUL'S UNIVERSITY 28 JUN 2024 P.O. PRIVATE BAG 00217 LIMURU TEL 0202505/2020510

Dr. John Muhoho
Director Board of Postgraduate Studies

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Appendix 4: Institutional scientific ethics review committee approval for data collection

ST. PAUL'S UNIVERSITY
Private Bag 00217
Limuru, Kenya
Email: office@spu.ac.ke
Website: www.spu.ac.ke

Tel Office: +254 (0) 20- 2020505/10
Mobile: +254 (0) 728-669000
(0) 736-424440

REF: SPU/167/2024 Date: 5th June 2024

TO: Mary Wato
St. Paul's University

Dear Mary,

==========

REF: Procurement Practices and Performance of Public Institutions in Kenya

==========

Greetings,

This is to inform you that SPU- Institutional Scientific Ethics Review Committee has reviewed the above-named research proposal. Your ERB approval number is 176, for the period between 5th June 2024 – 5th June 2025 (1 year).

This approval is subject to compliance with the following requirements;

Only approved documents including (informed consents, study instruments) will be used.

All changes including (amendments, deviations, and violations) are submitted for review and approval by SPU- Institutional Scientific Ethics Review Committee.

Death and life-threatening problems and serious adverse events or unexpected adverse events whether related or unrelated to the study must be reported to SPU- Institutional Scientific Ethics Review Committee within 72 hours of notification

Any changes, anticipated or otherwise that may increase the risks or affected safety or welfare of study participants and others or affect the integrity of the research must be reported to *SPU- Institutional Scientific Ethics Review Committee* within 72 hours

Clearance for export of biological specimens must be obtained from relevant institutions.

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Submission of a request for renewal of approval at least 60 days prior to expiry of the approval period. Attach a comprehensive progress report to support the renewal.
Submission of an executive summary report within 90 days upon completion of the study to SPU- Institutional Scientific Ethics Review Committee.
Please note that it is within the ISERC's mandate to monitor your research and to do random visits to the site. All research is subject to post approval monitoring.
Prior to commencing your study, you will be expected to obtain a research license from National Commission for Science, Technology and Innovation (NACOSTI) https://research-portal.nacosti.go.ke and also obtain other clearances needed.
Yours sincerely,



Dr. Daniel Nzengya, PhD Chairperson
SPU- Institutional Scientific & Ethics Review Committee



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Appendix 5: National Commission for Science, Technology & Innovation License

REPUBLIC OF KENYA

NACOSTI

NATIONAL COMMISSION FOR SCIENCE,TECHNOLOGY & INNOVATION

Ref No: **912614**

Date of Issue: **11/July/2024**

RESEARCH LICENSE



This is to Certify that Ms. Mary Wato of St. Paul`s University, has been licensed to conduct research as per the provision of the Science, Technology and Innovation Act, 2013 (Rev.2014) in Nairobi on the topic: procurement practice and performance in public institutions for the period ending: 11/July/2025.

License No: **NACOSTI/P/24/37703**

912614

Applicant Identification Number

Director General
NATIONAL COMMISSION FOR
SCIENCE, TECHNOLOGY
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See overleaf for conditions

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THE SCIENCE, TECHNOLOGY AND INNOVATION ACT, 2013 (Rev. 2014)
Legal Notice No. 108: The Science, Technology and Innovation (Research Licensing) Regulations, 2014

The National Commission for Science, Technology and Innovation, hereafter referred to as the Commission, was the established under the Science, Technology and Innovation Act 2013 (Revised 2014) herein after referred to as the Act. The objective of the Commission shall be to regulate and assure quality in the science, technology and innovation sector and advise the Government in matters related thereto.

CONDITIONS OF THE RESEARCH LICENSE

1. The License is granted subject to provisions of the Constitution of Kenya, the Science, Technology and Innovation Act, and other relevant laws, policies and regulations. Accordingly, the licensee shall adhere to such procedures, standards, code of ethics and guidelines as may be prescribed by regulations made under the Act, or prescribed by provisions of International treaties of which Kenya is a signatory to
2. The research and its related activities as well as outcomes shall be beneficial to the country and shall not in any way;
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    ii. Adversely affect the lives of Kenyans
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    iv. Result in exploitation of intellectual property rights of communities in Kenya
    v. Adversely affect the environment
    vi. Adversely affect the rights of communities
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13. The Licensee shall disclose to the Commission, the relevant Institutional Scientific and Ethical Review Committee, and the relevant national agencies any inventions and discoveries that are of National strategic importance.
14. The Commission shall have powers to acquire from any person the right in, or to, any scientific innovation, invention or patent of strategic importance to the country.
15. Relevant Institutional Scientific and Ethical Review Committee shall monitor and evaluate the research periodically, and make a report of its findings to the Commission for necessary action.

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National Commission for Science, Technology and Innovation(NACOSTI),
Off Waiyaki Way, Upper Kabete,
P. O. Box 30623 - 00100 Nairobi, KENYA
Telephone: 020 4007000, 0713788787, 0735404245
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