

Factors Affecting Access to Government Procurement Opportunities for Disadvantaged Groups in Public Entities: (A Case Study of Kenya Ports Authority)

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Abstract: *The study assessed the effects of information, funding, tendering and training on AGPO¹ implementation. In order to achieve this objective, the researcher reviewed literature in the business field with a bias to the factors identified. The study was conducted at Kenya Ports Authority with the target population being staff in the procurement department and three other user departments who are actively involved in procurement. The researcher used descriptive research design since it ensured complete description of the situation making. The sampling technique was stratified random sampling to obtain a suitable unit representative of analysis because of the homogeneity of the population and all the respondents had an equal opportunity of participation. The instrument used in collection of data during the study were questionnaires. The researcher analyzed the data using Statistical Package for Social Sciences (SPSS) version 22. Implementation of the AGPO was regressed against four variables of, Funding, Training access to information and tendering process. The study found out that information, funding, tendering process and training affect access to government procurement opportunities. The study noted that AGPO's core goal, according to its architects, was to facilitate the youth, women and persons with disability-owned enterprises to participate in government procurement, thus giving them more opportunities to do business with government. The development may be frustrating to the government that promised to create one million new jobs every year to revive Kenya's economic growth*

Keywords: Government procurement Opportunities, disadvantaged groups

1. AGPO: Access to Government procurement Opportunities

1. Introduction

1.1 Background of the study

Participation of Disadvantaged Groups in Public procurement is an important function of any government for several reasons (Baker et.al 2011). First, the sheer magnitude of Disadvantaged Groups in procurement outlays has a great impact on the economy and needs to be well managed. Indeed, in all countries in the world, estimates of the financial activities of government procurement by the youth are believed to be in the order of 10% – 30 % of GNP (Routledge & (Lomdon, 2006). Many governments now practice gender mainstreaming when designing national budgets (also referred to as gender responsive budgeting) to make sure national economic planning pays adequate attention to the unique challenges of women's economic empowerment, (World Bank 2006).

In an acknowledgment of the fact that expanding entrepreneurial activity among all sections of society is a key driver of economic growth, many international development banks are becoming increasingly entrepreneurial in their outlook and channeling an ever increasing proportion of their portfolios through enterprise funds and soft loans to commercial banks for on-lending to youth and women, rather than through traditional development grants, (Gall & Borg 2009). The role of progressive legislation in empowering women in accessing

public procurement opportunity has proven successful around the world (Gall & Borg 2009). Governments in the 21st century are under increasing pressure to use more effective and efficient social procurement practices to deliver services and achieve their goals.

Empowerment programmes organized at the national and international level are increasingly targeting youth and women (Mentzer, et al. 2011). Adolescence is loosely defined as the transition period between childhood or immaturity and legal adulthood, and has different age ranges according to cultural, social and legal norms in each country, along with different cultural and social challenges (Mentzer. 2011). These vulnerable populations are more likely to be overlooked by government programmes, less likely to receive skills, training and therefore at greater risk of being unemployed and having no source of livelihood (Musgrave et.al, 2007)

(World Bank 2012). Many governments now practice gender mainstreaming when designing national budgets to make sure national economic planning pays adequate attention to the unique challenges of women's economic empowerment (UNICEF. 2005). In acknowledgment of the fact that expanding entrepreneurial activities among all sections of society is a key driver of economic growth, many international development banks are becoming increasingly entrepreneurial in their outlook and channeling an ever increasing proportion of their portfolios through enterprise

funds and soft loans to commercial banks for on-lending to youth and women, rather than through traditional development grants. FMO, the Dutch Development Bank, for example, formally refers to itself as „an entrepreneurial development bank.

(Ramsay, 2008)The burgeoning social entrepreneurship sector which taps practical and creative business approaches in solving pressing social and development problems have been equally instrumental around the world in creating opportunity for women, youth and the disadvantaged.

(Ogula, 2008) An organization that lends towards social impact projects in over 60 countries, runs a special Youth Venture programme that funds innovative business oriented ideas by the youth with a positive social impact. In this era of globalization, generating economic growth in countries, while reducing poverty is a fundamental development challenge.

(Thai et.al., 2009). To ensure that the contribution of micro enterprises to key sub sectors and national economies is maximized and to ensure the poor are not left out of the market development, access to finance, business services, improved inputs, a conducive enabling environment that facilitates rather than inhibits participation in public procurement is crucial .(USAID, Micro Enterprise Development, 2013). The Youth have the potential to accelerate productivity growth, but left idle, can represent a risk to social stability and in the longer term a risk to development of the nation’s economy .Ensuring that youths are successfully integrated into the economy through procurement will improve Kenya’s competitiveness, raise household incomes, reduce poverty, and create a circle of investment and growth.

(Ketchen Jr. 2006). Women are the backbone of rural economies in Kenya and Africa as a whole.To fight poverty in Kenya, women need to be accepted and supported through funds like Uwezo and provision of capacity building and training in functional business areas with the ultimate goal of promoting the social and economic status of women, as they constitute a vulnerable social category that is critical in sustainable development endeavors. Unequal procurement opportunities between women and men continue to hamper women’s ability to lift themselves from poverty and gain more options to improve their lives.

Research shows that, regardless of inequalities that persist in the way paid and unpaid work is divided between women and men, women remain the sole caregivers despite limited access to resources (Fernandez 2006). In fact women’s empowerment in public procurement is a matter of advancing women’s human rights (Ketchen 2009) Lack of employable and entrepreneurial skills, are some of the most crucial problems facing communities of people with disability and society at large to be included in public procurement. As a result people with disability are generally excluded from public procurement thereby hampering their overall economic independence (R.O.K, 2013). Though there exist various programs initiated by government and corporate organization for improving the skills levels of the general work force, little attention has been given to the

benefit of empowerment particularly through public procurement. Some who have acquired vocational training are not equipped with the right entrepreneurial skills required to enhance competitiveness for decent employment, job creation, social inclusion and poverty reduction spurring economic and professional independence while making optimum use of available resources (Fernandez, 2006).

1.2 Statement of the problem

The youth constitute the generation that has lived through the greatest social, political, intellectual, scientific and technological transformation in modern history (McWilliams & Siegel, 2001). This exerts its own unique pressures, which, coupled with crime, drug abuse and moral corruption creates a series of challenges (Maloni & Benton, 2000). However, it has been generally recognized that established small youth and women enterprises have faced unique problems, which have affected their growth and profitability, hence diminishing their ability to contribute effectively to sustainable development through public procurement (Knudsen, 2013). (R.o.K, 2013)The Kenyan government implemented AGPO project whereby 30% of government procurement budget was preferred for youth, women and persons with disabilities .AGPO project has failed to meet the anticipations set by the government whereby few groups have benefited from the plan Additionally, a number of problems have, been cited by the special groups. These include lack of access to information, lack of funding, poor tendering process and lack of training. The successfulness of AGPO is highly influenced by policies undertaken by the government. An inefficient regulatory and inappropriate institutional structure has also been a major constraint to AGPO. This study therefore underlines the factors affecting access to government procurement opportunities in public entities with a particular focus on Kenya Ports Authority

1.3 Objectives

The general objective of the study was to determine the factors affecting implementation of access to government procurement opportunities in public entities.

1.4 Specific objectives

The specific objectives of the study were:

- 1) To examine the effects of information on implementation of access to government procurement opportunities.
- 2) To determine the role of funding on implementation of access to government procurement opportunities.
- 3) To identify how tendering process affect implementation of access to government procurement opportunities.
- 4) To establish the effect of training on implementation of access to government procurement opportunities.

1.5 Scope

Procurement practices varies from one organization to another. This implies that the nature of the firm and the nature of the business determine the size and types of procurement and Implementation of AGPO. The research focused on the assessment of factors affecting

implementation of access to government procurement opportunities in public entities. The study involved 60 employees in the procurement department and other three user department preferable marine engineering, container terminal engineering and convectional cargo engineering department at Kenya Ports Authority.

2. Literature Review

2.1 Introduction

This chapter gives an extensive review of the empirical literature to the Problem being investigated, summary of the literature review and finally the research gaps.

2.2. Theoretical review

2.2.1 Transaction cost theory

John (2007) Transaction cost theory tries to explain why companies exist, and why companies expand or source out activities to the external environment. The transaction cost theory supposes that companies try to minimize the costs of exchanging resources with the environment, and that companies try to minimize the bureaucratic costs of exchanges within the company. Companies are therefore weighing the costs of exchanging resources with the environment, against the bureaucratic costs of performing activities in-house.

The theory sees institutions and market as different possible forms of organizing and coordinating economic transactions. When external transaction costs are higher than the company's internal bureaucratic costs, the company will grow, because the company is able to perform its activities more cheaply, than if the activities were performed in the market. However, if the bureaucratic costs for coordinating the activity are higher than the external transaction costs, the company will be downsized.

According to Williamson (2009), a transaction cost occurs "when a good or a service is transferred across a technologically separable interface". Therefore, transaction costs arise every time a product or service is being transferred from one stage to another, where new sets of technological capabilities are needed to make the product or service

2.2.2 Agency theory

(Ramsay, 2008). Agency Theory explains how to best organize relationships in which one party determines the work while another party does the work. In this relationship, the principal hires an agent to do the work, or to perform a task the principal is unable or unwilling to do. For example, in corporations, the principals are the shareholders of a company, delegating to the agent *i.e.* the management of the company, to perform tasks on their behalf. Agency theory assumes both the principal and the agent are motivated by self-interest. This assumption of self-interest dooms agency theory to inevitable inherent conflicts. Thus, if both parties are motivated by self-interest, agents are likely to pursue self-interested objectives that deviate and even conflict with the goals of the principal. Yet, agents are supposed to act in the sole interest of their principals.

2.2.3 Neoclassical Approach and Make or Buy Decision

(Evenett, 2005) The make-or-buy decision is the act of making a strategic choice between producing an item internally (in-house) or buying it externally (from an outside supplier). The buy side of the decision also is referred to as outsourcing. Make-or-buy decisions usually arise when a firm that has developed a product or part or significantly modified a product or part is having trouble with current suppliers, or has diminishing capacity or changing demand.

(Evenett, 2005) Make-or-buy analysis is conducted at the strategic and operational level. Obviously, the strategic level is the more long-range of the two. Variables considered at the strategic level include analysis of the future, as well as the current environment. Issues like government regulation, competing firms, and market trends all have a strategic impact on the make-or-buy decision. Of course, firms should make items that reinforce or are in-line with their core competencies. These are areas in which the firm is strongest and which give the firm a competitive advantage.

2.3 Conceptual Framework

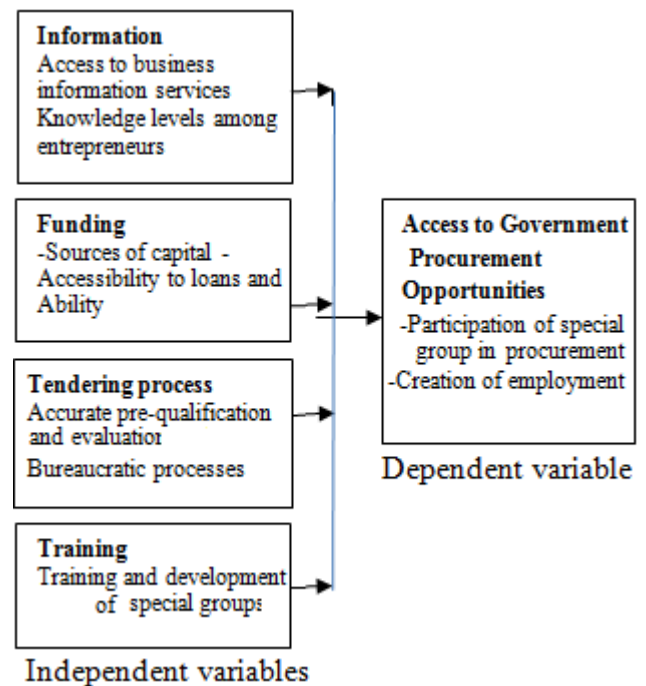


Figure 2.1: Conceptual framework

2.4 Empirical review

2.4.1 Access to Government Procurement Opportunity

Government procurement can be a politically sensitive process. The size of Government bids coupled with the fact that it involves public funds means that the citizens of any country should share these bids equitably Benton et al (2014). The AGPO is a youth and women's procurement program which has its genesis in the pledge the Jubilee Party made to allocate the KShs. 6 billion that was meant for the presidential run-off to youth and women groups. The principles of Uwezo Fund are Representation, Accountability, Accessibility and spurring of economic growth. Representation, to ensure the inclusion of all Kenyans including women, youth, persons with disabilities,

elected parliamentary representatives and respective government officials SMEDA (2012). Accountability; to ensure government is held responsible to the citizens for its decisions and actions (Republic of Kenya 2013). Accessibility: guaranteeing accessibility at the lowest level of engagement and for the largest category of recipients using a simple, structured and least cost approach. Economy: use of the best but least cost mechanism to achieve the desired objective.

2.4.2 Information

Most public procurement systems address in one way or another issue of how to provide information support for the domestic supplier base (Lavassani, et.al. 2008). Improved information techniques mostly through the internet for buying goods and services using modern quality standards and business practices in the government can help improve the efficiency of special group's suppliers as they compete for government contracts with big players. Such improvements in information access can enhance trade prospects by making these suppliers more acceptable vendors to global business partners (Murray, 2007). Information and communication technology has been increasingly used by governments in the acquisition of goods and services, the allocation of contracts to bidders and in contract management. The benefits of information and communication technology are many and include improvements in market access and competition, promotion of integrity, reduced information costs; easier access to information, and increased transparency and accountability, among others. In this context, information availability also has the capacity to prevent and reduce the opportunities for corruption in the different stages of public procurement.

2.4.3 Funding

The development of small and medium enterprises (SMEs) run by specialized groups is very important to the national economy. Public procurement can be an important source of business for SMEs (Musgrave et.al, 2007). However, access to public sector contracts by smaller entities is often seen as a problem, at national and global level, for many in the sector. While sustaining development impacts is key, it is the majority at grassroots that accelerate and sustain poverty reduction efforts (Ramsay, et.al, 2008), hence the need to target the rural poor to achieve overall economic growth by funding them to be able to access public procurement. (Snider, 2006) argues that the high proportion of women in the poverty group in the third world makes efforts at development fruitless. This is because the investment threshold for the third world has pushed far above the current levels of funding to a point where local level development is the only feasible alternative solution (Gomez, 2009) development efforts that centre on sustainability must target the grassroots majority.

The Kenyan government has had an uphill task for youth and women groups to play in the big-ticket leagues of public procurement as they may not have the financial wherewithal (Orodho, 2013). Fortunately, there are a host of financial instruments being offered by various institutions, including local purchase order (LPO) financing and invoice discounting. There is also the Uwezo Fund and the youth and women enterprise fund, yet processing an invoice can

take months. "The best thing about getting a government contract is that you will get paid. The downside is it could take a while (Polo, 2008).

2.4.4 Tendering Process

(Baily, et.al 2007) defines a tender as an unconditional order made by one to another to enter into the contract or transaction of goods or services at certain specified cost. Various established organizations issues notices for their needs of specified goods or services from other businesses that they would require in a certain period, which is known as Invitation to Tender. Tendering system refers to that process that defines the guidelines through which this the tendering activities are conducted and managed. Tendering is one of the core components of purchasing and supplies management which is used in sourcing and acquisition of the necessary goods and services. In an effort to enhance efficiency of the procurement function, organizations make use of the tendering system to reduce procurement cycle time and provision or quality management information. Tendering also enables organizations to be able to identify reliable suppliers who are able to meet the products or services required according to the specifications (Lysons and Farrington, 2006).

There are two main methods that are used in tendering which are e-tendering and the tender box method. The bidding organization demonstrate their capability in handling the assignments indicated in the tender and their costing for each of them. The main criteria used in selection or the winning bid involves identifying who among the bidders is able to supply the required products or services according to the specifications and at the lowest cost. However, it is not always that the least bidder gets the job, in some circumstances, other factors are considered such as reliability and also previous assignments done are used as an influence (Brulhart, and Trionfetti 2009).

The use of a tendering has a lot of benefits to the organization. One of the key benefits is that it provides fast and accurate pre-qualification and evaluation, which enables the rejection of suppliers that fail to meet the tender qualification. It also helps in reduction of labour intensive tasks of receipt, recording and distribution of tender submission (Evenett, 2005). The tendering process creates fairness for all parties and enhances transparency levels. Though the process is very bureaucratic, it encourages competition from the bidders and there is a high chance of getting the best offer and reliable supplier. Organizations in the retail sector also make use of the tendering system in identifying potential suppliers of the various products for resale purposes or provision of services.

2.4.5 Training

Public procurement policy makers recognize the importance of the role of SMEs in the economy, including the importance of their participation in the public procurement market (McCrudden, 2005). Public procurement can help in the development of an effective and efficient SME sector by providing appropriate opportunities for SMEs which are mostly run by special groups to demonstrate their skills and capabilities, including the purchase of goods and services which allows SMEs to develop and demonstrate innovative

goods and services (McCrudden 2005). In the past, procurement was considered mainly as an operational activity rather than as a key strategic function in the business planning process. Public purchasers concentrated on compliance with rules and procedures set down in guidelines, regulations or EU Directives to seek value for money outcomes from procurement while observing necessary standards of probity and ethics (Thai et.al.,2009) Further, Jamii Bora in Kenya is offer training to the special groups on how to bid for government contracts

2.5 Critique of Existing Literature

Though the government has implemented AGPO the youths have been unable to access the procurement opportunities in the government. Research has also found that quality of services and goods delivery is compromised. this is because the youths have been unable to meet the set quality standards due to limited technical inability. There is need for proper research on the extent to which AGPO implementation is affected in KPA². Little has been done in relation to factors affecting AGPO implementation. Usually, the metrics proposed in managing AGPO implementation are related with milestones and costs aspects.

2.6 Research Gaps

Traditionally, procurement has relayed much on the established vendors, literature highly recognize procurement as an increasingly central instrument to ensure efficient tendering processes corruption-free management of public resources, strategic profession and ensuring that youths are successfully integrated into the economy through procurement rather than simply an administrative function but all this lack emphasizes to involve special groups in the procedures and its importance. Organizations need information to be able to take risks and adopt AGPO, they should react quickly to changes in the environment. There is no study which has been comprehensively been done about the factors affecting AGPO implementation in public entities and hence the study intend to fill that gap. Research gaps exist since very few studies address the factors affecting records management in public procurement.

2KPA: Kenya Ports Authority

3. Methodology

3.1 Introduction

This chapter describes the procedures that were used in carrying out this research. This chapter deals with research design, population of study, sampling frame, sample and sampling techniques, research instruments, data collection procedure and pre-testing of questionnaire and data processing and analysis.

3.2 Research design

The study used descriptive survey design. According to Mugenda and Mugenda (2003) descriptive survey design was appropriate because it involved collecting data in order to answer questions concerning the current status of subjects of

the study. Kothari (2008) notes that descriptive design is concerned with describing, recording, analyzing and reporting conditionsthat exist or existed. The importance of descriptive study is that it provided information which could be used as basic for important decision that are to be made, it also provides an essential facts and understanding about the nature of anything.

3.3 Population

The structure of KPA has classified the staff in procurement departments, that is, CTC, Purchase and Contracts, and Stores. Other three user department will be included Marine Engineering, Container Terminal Engineering and Convectional Cargo Engineering. For purpose of this study the target population was stratified through CTC, Purchase and Contracts, Stores, Stock control, Marine Engineering, Container Terminal Engineering and Convectional Cargo Engineering department. Thus from the above the target population consisted of 300 employees (KPA HR Policy Manual 2013).

Table 3.1: Population of the study

Department	Population
Stores	73
Purchase and contracts	45
CTC	33
Stock Control	22
Marine Engineering	60
Container terminal Engineering	40
Convectional cargo engineering	27
Total	300

3.4 Sampling Size

Scholars do not agree on the exact proportion of the accessible population that should form the sample size. Mugenda and Mugenda (2008) suggest that in descriptive studies twenty percent (20%) of the survey population is representative enough to generalize characteristics being observed. Inthis study therefore twenty percent of the accessible population constitutes the sample size.

Table 3.2: Target population and sample size

Department	Population	Sample size %
Stores	73	15
Purchase and contracts	45	9
CTC	33	7
Stock Control	22	4
Marine Engineering	60	12
Container terminal Engineering	40	8
Convectional cargo engineering	27	5
Total	300	60

3.5 Sample and Sampling Technique

According to Kothari (2010) sampling is the process by which a relatively small number of individuals, objects or events is selected in order to find out something about the entire population from which it was selected. Stratified random sampling was used in this study. Stratified random sampling technique is suitable as it gives each respondent in every department a chance of being selected and also

ensures that all departments are represented. According to Kothari (2003) an optimum sample is the one that fulfills the requirements of efficiency, representativeness, reliability and flexibility. The sample ranged between 10% and 30%. The study used a sample size of 20% of the target population. This added up to sixty respondents spread throughout all the seven departments as shown in table 3.2

3.6 Instruments

The main research instruments that will be used in the study will be designed questionnaires. This will enable researchers to get needed information on the set objective mentioned in the study. In addition, document analysis will also be used in obtaining information from journals, reports and other resourceful material presented by other researchers which focus on this study.

3.7 Data collection procedure

Primary data was collected using questionnaires. The questionnaires consisted of both open ended and closed ended questions covering issues related to AGPO implementation. Open ended questions gave the respondents allowance to freely respond to the questions without any limit and give their alternatives. According to Mugenda and Mugenda (2009), the open ended or unstructured questions permit greater depth of response from the respondents while the closed or structured questions are usually easier to analyze. Questionnaires were chosen because they were easier for the researcher to collect a lot of information over a short period of time. A brief introduction was made to the respondents before administering the questionnaires with the aim of explaining the questionnaires. Confidentiality was assured to the respondents through the letters of transmittal that was attached to the questionnaires.

3.8 Data processing and analysis

Data analysis was based on the research questions designed at the beginning of the research. The quantitative data from the survey questionnaires were analyzed using the Statistical Package for Social Sciences (SPSS) version 22. SPSS version 22 package was used because it is a comprehensive system for analyzing data and can take data from many types of files and use them to generate descriptive statistics, complex statistical analyses, tabulated reports, distributions, trends and so on. The descriptive statistics format was used to summarize and organize the data in order to generalize and infer relationships. The researcher used a probabilistic model to predict the extent to which the identified independent variables affects the dependent variable.

4. Research Findings and Discussion

4.1 Introduction

This chapter discusses the analyses of data collected from various respondents and analyzed using data analysis procedure found under the tools menu. This chapter is discussed under the following topics: analysis of response rate, qualitative data analysis, quantitative data analysis and discussion of study results.

4.2 Analysis of the response rate

Based on the sample in chapter three of this report the researcher printed 60 questionnaires that were issued to the identified respondents, 53 of them were returned while 7 of them were not returned this was a response rate of 88%. These findings are shown in table 4.1 and Figure 4.1.

Table 4.1: Response Rate

Population category	Frequency	Percentage
Actual response	53	88
Non response	7	22
Total	60	100

4.2.1 Gender

Table 4.2: Gender

Gender	Frequency	Percentage
Male	30	57
Female	23	43
Total	53	100

From table 4.2, the findings indicate that 57 % of the respondents were male whereas female constituted 43%. This indicates that there were more male respondents as compared to their female counterparts, this shows that there is gender imbalance in the procurement department

4.2.2 Level of education

Table 4.3: Respondents level of education

Qualification	Frequency	Percentage
Certificate	8	15
Diploma	18	35
Degree	16	30
Masters	11	20
Total	53	100

4.2.3 Level of Education

From the findings on table 4.3 and figure 4.3, the researcher established from the analysis that majority of the respondents who constituted 25% were certificate holders, 33% were diploma holders, 17 % degree holders and 25% of the respondents had masters. From the data collected it is clear that the procurement function at KPA Majority of them are certificate holders This shows that non-professional staff are allowed to undertake procurement tasks which might influence the efficiency of procurement. According to Jessop and Morrison (1994), tendency of using subordinate staff in the procurement function should be discouraged

4.3 Findings

4.3.1 Information

The respondents were asked to indicate the extent to which information affect AGPO implementation in their organization. The table below shows the study results

Table 4.4: Information effect

Description	N	Mean	Standard deviation
Entity offers sufficient information to the special groups	53	1.73	0.88
Enable AGPO beneficiaries to approach the entity for tenders	53	1.83	0.84
Enable Public entities to provide a conducive environment for other suppliers participation and bidding for AGPO	53	2.13	0.97
submitted bids	53	2.23	0.95
In retrieving records for review purposes is slow, time consuming	53	2.43	0.90;
Use of improved information techniques mostly through the internet for buying goods and services modern quality standards and business practices	53	2.35	1.08
Primary sources of information are newspapers only	53	2.33	0.98
Enable invitation of special interest groups to bid every quarter as shown by a mean	53	1.95	1.04.

The study revealed that respondents were in agreement that Entity offers sufficient information to the special groups about AGPO program as indicated by a mean of 1.73 and a standard deviation of 0.88; that AGPO beneficiaries have approached the entity for tenders as shown by a mean of 1.83; a standard deviation of 0.84; that Public entities provide a conducive environment for other respondents participation and bidding for AGPO as shown by a mean of 2.13 and a standard deviation of 0.97; that All three categories of AGPO beneficiaries, youth, women and persons living with disabilities have submitted bids as indicated by a mean of 2.23 and a standard deviation of 0.95; that retrieving records for review purposes is slow, time consuming and even for the files made available, some records pertaining to fulfillment of the procurement process were incomplete, limiting the review scope as shown by a mean of 2.43 and a standard deviation of 0.90; that improved information techniques mostly through the internet for buying goods and services modern quality standards and business practices as shown by a mean of 2.35 and a standard deviation of 1.08; that Primary sources of information for these groups on what is to be awarded is the tender notices placed in the newspapers only as shown by a mean of 2.33 and a standard deviation of 0.98 and that the we have invited special interest groups to bid every quarter as shown by a mean of 1.95 and a standard deviation of 1.04.

The study further revealed Uninformed inefficient government suppliers provide poor value to their national government, and are unlikely to engage in any meaningful private sector trading partnerships in the era of global competition Zwicker, & Ringheim, (2004). But given the financial constraints faced by some of the procuring entities, these notices are generally posted only once Ogada et al (2008)

4.3.2 Funding

The respondents were asked to indicate the extent to which funding affect AGPO implementation in their organization. The table below shows the study results.

Table 4.5: Funding extent

Description	N	Mean	Standard deviation
Payments for deliveries are processed urgently	53	1.68	1.66
registration process in order to access LPO financing straightforward and clear	53	1.85	0.70;
Public entities provide a conducive environment for supplier participation and bidding	53	2.13	0.97
There is funding from uwezo fund to fulfill the orders	53	2.30	1.07
Uwezo officials conduct themselves professionally and ethically	53	2.03	1.03
Respondent accept partial deliveries hence partial payments	53	1.93	0.92
tenders are structured to allow participation by special groups	53	1.93	1.02
uwezooversight committees is supportive	53	2.55	1.78
payment process by the public entity is prompt and free of bureaucracy	53	2.53	1.11.

The study also found out that respondents were in agreement that payments for deliveries are processed urgently as indicated by a mean of 1.68 and a standard deviation of 1.66; that the registration process in order to participate in AGPO is straightforward and clear as shown by a mean of 1.85; a standard deviation of 0.70; that Public entities provide a conducive environment for other respondents participation and bidding for AGPO as shown by a mean of 2.13 and a standard deviation of 0.97; that funding from uwezo fund to fulfill the orders as indicated by a mean of 2.30 and a standard deviation of 1.07; that Uwezo officials conduct themselves professionally and ethically as shown by a mean of 2.03 and a standard deviation of 1.03; that Respondent accept partial deliveries hence partial payments as shown by a mean of 1.93 and a standard deviation of 0.92 and finally that tenders are structured to allow participation by special groups as shown by a mean of 1.93 and a standard deviation of 1.02.

The respondents were neutral that the *uwezo* oversight committees is supportive as shown by a mean of 2.55; a standard deviation of 1.78 and that payment process by the public entity is prompt and free of bureaucracy as shown by a mean of 2.53and a standard deviation of 1.11. The study revealed that, According to (PPOA, 2006) funding is very critical in the implementation of access to government procurement opportunities for Special Interest groups in Kenya. The study concludes that access to public sector contracts by smaller entities is often seen as a problem, at national and global level, for many in the sector. While sustaining development impacts is key, it is the majority at grassroots that accelerate and sustain poverty reduction efforts (Gichure, 2007), hence the need to target the rural poor to achieve overall economic growth by funding them to be able to access public procurement

4.3.3 Tendering process

The respondents were asked to indicate the extent to which tendering process affect AGPO implementation in their organization. The table below shows the study results.

Table 4.6: Tendering Process Extent

Description	N	Mean	Standard deviation
Assessing the needs of procurement	53	1.45	0.75
entity awards 30% of all contracts to AGPO	53	1.85	0.86
entity is reserving the bids for items mandated in the law	53	1.98	0.97.
Selection of Method of procurement	53	2.48	0.96
has to be support from highest political	53	2.23	1.03
submitting reports of tenders awarded to special groups to PPOA	53	2.10	1.10.

The study revealed that respondents were in agreement that respondents organization is fully assessing the needs of procurement as indicated by a mean of 1.45 and a standard deviation of 0.75; that The entity awards 30% of all contracts to AGPO as shown by a mean of 1.85 and a standard deviation of 0.86 and that the entity is reserving the bids for items mandated in the law as shown by a mean of 1.98 and a standard deviation of 0.97. The study also found out that respondents Selection of Method of procurement and a standard deviation of 0.96; that There has to be support from highest political levels as shown by a mean of 2.23 and a standard deviation of 1.03 and that the respondent submitting reports of tenders awarded to special groups to PPOA as shown by a mean of 2.10 and a standard deviation of 1.10.

The study findings were supported by (Walker, 2003) who argued that public procurement reform is most likely to succeed when it proceeds through a step process: There has to be support from highest political levels: this is seen as necessary for any organizational change to succeed, as it avoids any doubt about the government,s commitment to reform; Publicity about the advantages of the new system; There is need for cooperation between the public and private sector leading to better understanding of each other,s, problems and needs; There is need for good procurement training: to raise the skills of procurement staff and to familiarize suppliers with the requirements of the reformed system; There is need for good procurement tendering process that will have accountability and transparency in their procurement dealingsand there is need for establishment of a central public procurement office for overall policy making and supervision of public procurement in the country.

4.3.4 Training

The respondents were asked to indicate the extent to which training affect AGPO implementation in their organization. The table below shows the study results.

Table 4.7: Training Extent

Description	N	Mean	Standard Deviation
Good procurement training to raise skills	53	1.70	0.82
There is training in procurement law for persons involved in the procurement functions	53	1.98	1.03
The need for training and capacity building	53	2.38	0.87
Need for training to improve skills and ability to participate in AGPO	53	2.18	0.96;
There is highest political levels support	53	2.23	1.03
Training to the special groups on how to bid for government contracts is provided	53	2.40	1.19.

The study found out that respondents were in agreement that there is need for good procurement training to raise skills as indicated by a mean of 1.70 and a standard deviation of 0.82; that there is insufficient training in procurement law for persons involved in the procurement functions as shown by a mean of 1.98 and a standard deviation of 1.03; that there is need for training and capacity building as shown by a mean of 2.38 and a standard deviation of 0.87; the study also found out that training is given to improve skills and ability to participate in AGPO as shown by a mean of 2.18 and a standard deviation of 0.96; that There has to be support from highest political levels as shown by a mean of 2.23 and a standard deviation of 1.03 and that the Training to the special groups on how to how to bid for government contracts is provided as shown by a mean of 2.40 and a standard deviation of 1.19.

According to Vinnova (2009) he suggested that this staff competence includes technical competence of the innovation as well as competence to manage the procurement process. This whole process is usually left to procurement professionals. However, in many cases, the procurers are not the users of the innovation so may not fully understand the need of innovation. This may result in the production of a tender specification that does not satisfy the needs of the innovation. The study further revealed that majority of the employees in the procurement department were not members to any procurement professional body e.g. CIPS, that had no working knowledge of other languages other than English thus limiting their potential in global procurement, most of the staff members are experienced indicated by the majority age, they are poorly remunerated as professionals, most don't have motivation in terms of promotions and in-house training and seminars are not often conducted. Most of the respondents agree that staff training competency affects quality of innovative goods and services to a moderate extent.

Lawson and Squire (2006) did a research and established that purchasers with high skills and knowledge have a significant impact on financial performance and operational efficiency in terms of quality improvement, design and reduction of lead times. This was similarly supported by studies done by Rothwell and Zegveld (1981), where they stated that whereas relatively little in-house competence is

needed when procuring off-the shelf goods for the lowest possible price, greater competence of procurers is required to encourage suppliers to innovate.

4.4 Regression Analysis

In this study a multiple linear regression model was implemented to identify the relationship between the four independent variables and the dependent variable which is the challenges affecting the implementation of access to government procurement opportunities for Special Interest groups in Kenya. The researcher applied the statistical package for social sciences (SPSS) to code, enter and compute the measurements of the multiple regressions for the study.

4.5 Coefficient of Determination

Coefficient of determination explains the extent to which changes in the dependent variable can be explained by the change in the independent variables or the percentage of variation in the dependent variable (access to government procurement opportunities by special groups in Kenya) that is explained by all the four independent variables (Funding, tendering process, training and Information).

The four independent variables that were studied, explain only 66.1% of the access to government procurement opportunities as represented by the R². This therefore means that other factors not studied in this research contribute 33.9% of the access to government procurement opportunities. Therefore, further research should be conducted to investigate the other factors (33.9%) on the access to government procurement opportunities.

Table 4.8: Model summary

Model	R	R Square	Adjusted R Square	Std Error of the Estimate
1	0.813	0.661	0.163	0.68567

4.6 Analysis of Variance (ANOVA)

In trying to test the significant of the model, the study used ANOVA. From table 1 the significance value is 0.036 which is less than 0.05 thus the model is statistically significant in predicting how tendering process, funding, training and information on the challenges affecting the implementation of access to government procurement opportunities for Special Interest groups in Kenya. The F critical at 5% level of significance was 2.895. Since F calculated (value = 1.992)

is greater than the F critical, this shows that the overall model was significant.

Table 4.9: Analysis of Variance (ANOVA)

Model		Sum of squares	df	Mean square	F	SIG
1	Regression	5.445	7	1.361	2.895	0.036
	Residual	16.455	46	0.470		
	Total	21.900	53			

Multiple Regression Analysis

As per the SPSS generated as shown in the equation $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \epsilon$ become:
 $Y = 0.576 + 0.010 X_1 + 0.116X_2 + 0.427X_3 + 0.044X_4 + \epsilon$

Where Y is the dependent variable (accesses to government procurement opportunities), X₁ is the Tendering process, X₂ is Funding variable and X₃ is Training, X₄ is the Information. According to the regression equation established, taking all factors into account (Tendering process, Funding, tendering process training and Information) constant at zero, the accesses to government procurement opportunities will be 0.576. The data findings analyzed also shows that taking all other independent variables at zero, a unit increase in tendering process will lead to a 0.010 increase in the access to government procurement opportunities; a unit increase in funding will lead to a 0.116 increase in the access to government procurement opportunities; a unit increase in training will lead to a 0.427 increase in access to government procurement and a unit increase in information will lead to a 0.044 increase in access to government procurement opportunities. This infers that Human Resource Capacity contribute more to the adoption of social media in the provision of extension services in Kenya.

At 5% level of significance and 95% level of confidence; tendering process showed a 0.009 level of significant; funding showed a 0.044 level of significant; training showed a 0.003 level of significant and information showed a 0.030 level of significant. The significance value is 0.036 which is less than 0.05 thus the model is statistically significant in predicting how legal framework, funding, training and information affect the implementation of access to government procurement opportunities for Special Interest groups in Kenya. The F critical at 5% level of significance was 2.040. Since F calculated is greater than the F critical (value = 2.895), this shows that the overall model was significant.

Table 4.10: Coefficients

		Unstandardized Coefficient	Standardized coefficient		T	Sig
			B	Beta		
	(Constant)	0.576	0.443		1.302	0.021
Model 1	Tendering process	0.010	0.114	-0.014	-0.090	0.009
	Funding	0.116	0.121	0.0149	0.960	0.044
	Training	0.427	0.134	0.0469	3.193	0.003
	Information	0.044	0.126	-0.051	-0.348	0.030

5. Summary, Conclusions and Recommendations

5.0 Introduction

In this chapter, the major findings of the research study were interpreted and explained the factors affecting procurement in manufacturing organizations. These were explored deeper in the summary of findings, the research questions were answered from the findings of the study.

5.1 Summary

The summary of the study was based upon the findings obtained from the questionnaires that were distributed to the respondents.

Yet, critics blame the government for the slim uptake, arguing that the country's procurement procedures are still bureaucratic and lack the desired transparency. Importantly, they say, some of the contracts are "abnormally" capital intensive, thus locking out would-be beneficiaries who are financially lightweights.

Because of the limitations, enterprises that qualify to undertake the government jobs can only get the very basic contracts. This is a view that is entrenched within the government, with all the procuring entities setting aside what is known within the procuring entities as "grass cutting" jobs for the youth, women and persons with disabilities. Thus contracts set aside for these groups will include delivery of flowers, newspapers, office stationery, cleaning services and maintenance of grounds. The latter involves maintenance of gardens and hence the name grass cutting.

5.2 Conclusions

The study concludes that tendering process has a duty to facilitate in the implementation of access to government procurement opportunities for Special Interest groups in Kenya. Tendering process can be seen to contribute to public good by defending, protecting and promoting human rights.. The study also concludes that Kenyan government is very critical in funding the disadvantaged groups i.e people with disabilities, youth and women to play in the big-ticket leagues of public procurement as they may not have the financial wherewithal Owino J (2013). The study also concludes that there are a host of financial instruments being offered by various institutions, including local purchase order (LPO) financing and invoice discounting, the Uwezo Fund and the youth and women enterprise fund. Moreover, the study concludes that legal framework has a duty to facilitate in the implementation of access to government procurement opportunities for Special Interest groups in Kenya. The study also concludes that good training in procurement will raise the skills of the procurement staff and to familiarize suppliers with the requirements of the reformed system. The study concludes that training and capacity building to public entities will ensure compliance with the directive to be provided. From the findings a conclusion that training improves skills and ability of the persons with disabilities, women and youth to participate in

AGPO. The study also concludes that the right information to the special groups on AGPO will be very helpful in enabling them secure government contracts. The study concludes that retrieving records for review purposes was slow, time consuming and even for the files made available, some records pertaining to fulfillment of the procurement process were incomplete, limiting the review scope The study also concludes that Primary source of information for special groups on what is to be awarded is the tender notices placed in the newspapers only and improved operating ICT systems and applications will cover all aspects of procurement

5.3 Recommendations

On training of Procurement staff the study recommends innovation with high social returns on investment; however, because it involves risks and uncertainties the volume of investment in innovation procurement is sub-optimal. The study recommends training Public procurers who can help in the development of an effective and efficient SME sector by providing appropriate opportunities for SMEs which are mostly run by special groups to demonstrate their skills and capabilities, including the purchase of goods and services which allows SMEs to develop and demonstrate innovative goods and services. The study recommends that there is need for good training to solve the inability to translate procurement law and regulations into everyday language, so that management sees and understands the impact to their compliance; inadequate records management and filing systems, Musa et al, (2011). On tendering process the study recommends that there should be cooperation between the public and private sector leading to better understanding of each other, problems and needs; there should be good procurement legislation: both primary legislation and secondary implementing legislation; and also the need for establishment of a central public procurement office for overall policy making. The tendering can be enhanced by making use of e-tendering, whereby there will be visibility in procurement. This guarantees the organization quality which comes from the credible reference organizations.

The study also recommends that for special groups to realize improved growth provision and access to finance from financial services providers should be encouraged to ensure that special groups are confident to approach financial institutions for facilities. The special groups should have a lot of information on the terms and conditions of financial services providers. The study recommends for good training in procurement law for the persons involved in the procurement related functions. On communication of tender notices to special groups and public procurers, the study recommends that there should sufficient communication and coordination between the user departments and Procurement Unit on procurement planning and implementation and improvements in information access can enhance trade prospects by making these suppliers more acceptable vendors to global business partners. The study recommends that there is need to target the rural poor to achieve overall economic growth by funding them to be able to access public procurement since development efforts that center on sustainability must target the grassroots majority.

5.4 Areas for Further Research

This research recommends a similar study to be done on the role of strategic leadership on AGPO implementation at KPA. There is need for a study to be conducted to determine factors affecting AGPO implementation in other parastatals; this will help in enhancing implementation of AGPO across the government institution in Kenya.

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