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**PROCUREMENT PLANNING AND PERFORMANCE OF STATE CORPORATIONS IN KISII COUNTY, KENYA**

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**ABSTRACT**

This study endeavor & explore on procurement performance of state corporations in Kisii County, Kenya. The general objective of the study was to establish relationship between procurement planning and performances of state corporations in Kisii county, Kenya. The specific objectives of the study were to examine influence of user needs identification and best procurement method on performance of state corporations in Kisii County, Kenya. The study adopted a correlational survey research design. The unit of analysis in this study was 7 state corporations in Kisii County. The unit of observation was procurement officers in the 7 state corporations in Kisii County. Therefore, the target population of this study was 105 staff working as procurement officers in the 7 state corporations in Kisii County, Kenya. The study used a census approach and hence the whole population will be included in the study. The study used primary data which will be obtained by use of semi-structured questionnaires. A pilot test was conducted to assess the validity and reliability of the research instrument as well as to address ambiguous, misinterpreted or misunderstood questions. The questionnaires generated both qualitative and quantitative data. Qualitative data was analyzed using thematic analysis, and outcomes will be presented narratively. Descriptive as well as inferential statistics were employed in analyzing quantitative data with assistance of statistical software known as Statistical Package for the Social Sciences version 28. Descriptive statistics comprised of mean, standard deviation, percentages and frequency distribution. Inferential data analysis was carried out using Pearson correlation coefficient and linear regression analysis. The results were presented in tables and figures, such as bar charts and pie charts. The study concludes and recommends that there is need to implement procurement planning towards performance of state corporations in Kisii County, Kenya.

**Key Words:** Procurement Performance, State Corporations, Procurement Planning, User Needs Identification, Best Procurement Method

## **Background of the Study**

Procurement planning refers to the systematic method employed by an organization to determine the specific items to be acquired, the optimal timing for procurement activities, and the most suitable sources from which to obtain these items. The procurement method is designated and the expectations for meeting procurement requirements are set throughout the procurement planning phase (Aimable & Sarah, 2019). The concept of procurement planning encompasses the strategic approach utilized by organizations, both in the public and commercial sectors, to effectively plan and manage their purchasing activities within a specified timeframe (Agaba & Shipman, 2007). According to the Economic Commission of Africa (ECA, 2003), procurement planning refers to the purchasing function utilized by organizations to acquire items and/or services from vendors. Public procurement on a global scale may be historically traced back to its early stages of purchasing in the United States. In 1792, the Federal Government granted authorization to the departments of war and treasury to engage in contractual agreements on behalf of the nation (Callender & Matthews, 2000).

The field of public procurement has undergone significant advancements over time, however it was often perceived as a purely administrative task by a considerable number of individuals. The purchasing function underwent a transformation into procurement during the 1990s, aligning with the rapid growth of electronic commerce and electronic business. This shift elevated the status of procurement as a reputable activity. The evolving global landscape necessitates that public procurement professionals prioritize strategic elements of procurement over regular transactions. According to Matthews (2005), it is important to recognize that while the emphasis on unit cost is rooted in historical and tactical considerations, procurement planning plays a strategic and proactive role. Procurement is a fundamental operational process that is universally present in companies, regardless of whether they are in the private or public sector. The efficacy of development expenditure is contingent upon the functionality of public procurement processes. The allocation of funds is primarily manifested in the provision of services through the government's procurement of goods, services, and infrastructure projects. According to Mahmood (2010), it has been approximated that 18.42% of the global Gross Domestic Product (GDP) is allocated towards public procurement.

According to Mahinda (2015), it has been further estimated that public procurement constitutes between 9% to 13% of the gross domestic product (GDP) in emerging economies. To achieve cost reductions, the system has undergone a transformation from an unregulated system to a methodical procurement system that adheres to legal standards. As a result, the Public Procurement and Disposal Act of 2005 was enacted, accompanied by the publication of the Public Procurement and Disposal Regulations in 2006. The Act established the Procurement Policy Oversight Authority (PPOA) with the responsibility of guaranteeing compliance with the procurement processes outlined in the Act. Additionally, the PPOA is tasked with monitoring the procurement system and providing reports on its overall performance, along with other assigned functions (Stanley, 2014). The Public Procurement and Assets Disposal Act (PP&ADA), 2015 governs the procurement practices in the public sector of Kenya. The primary objective of the Act is to establish protocols governing the acquisition and disposal of equipment that is no longer functional, outdated, or in excess by public entities, with the overarching goal of optimizing cost-effectiveness and operational efficiency.

According to the Republic of Kenya (2015), this legislation mandates that public organizations must strategically plan their procurement activities with the principles of transparency, accountability, and maximizing the value of taxpayers' dollars in mind. The Public Procurement and Disposals Act of 2005, commonly referred to as the PPDA, 2005, had a revision and was subsequently renamed as the Public Procurement and Asset Disposal Act of 2015, abbreviated as the PP&ADA, 2015. The latter legislation was enacted into law on December 18, 2015, and its enforcement began on January 7, 2016. The Public Procurement

and Disposal Act (PPDA) is applicable to all state organs and public entities with respect to several aspects, including procurement planning, procurement processing, inventory and asset management, disposal of assets, and contract management (Republic of Kenya, 2015). Hence, it is required that all accounting officers of public bodies formulate a yearly purchase plan that is feasible within the authorized budget before the start of each fiscal year, as an integral component of the annual budget preparation procedure (PP&ADA 2015 Cap53, 1-11).

### **Statement of the Problem**

State corporations face significant hurdles when it comes to procurement planning. Procurement planning is a highly efficacious approach for evaluating the performance of State Corporations in Kisii County, Kenya, as well as on a national scale. State Corporations in Kisii County are currently endeavoring to develop well-defined procurement plans in accordance with the guidelines set forth by public procurement regulatory bodies. These plans encompass procurement approvals and resource allocation. However, it remains uncertain which specific strategy will yield enhanced performance outcomes. The influence of several factors on the implementation of public procurement reforms in Kenya was examined in a study conducted by Miller (2018). Moreover, it can be argued that the primary determinant influencing the successful execution of the reforms is the senior leadership inside the organization. However, there is a lack of clarity on the data obtained for analyzing the correlation between procurement planning and procurement performance in State Corporations, specifically in respect to procurement approvals.

State corporations have been experiencing a decline in performance in the last five years. In the year 2020, the average performance index of state Corporations in Kenya was 68%, which decreased to 64.8% in 2021 and 61.6% in 2022 (Public Service Commission, 2022). Further, service delivery improvement index increased from 39.7% in 2020 to 53.1% in 2021, but decreased to 32.8% in 2022. In addition, customer satisfaction in state corporations reduced from 78.6% in 2021 to 63.5% in 2022. Citizens dissatisfied with services in state corporations cited 7 unresponsiveness of officers (32%) as the main reason (Public Service Commission, 2022). Moreover, Agaba and Njagi (2022) observed that the efficiency of service delivery in commercial state corporations decreased by 17% between the year 2019 and 2022. In addition, the issue of funding availability poses a significant obstacle to the performance within the parastatals of Kenya. The smooth progress of procurement is contingent upon the availability of adequate finances. A prescribed protocol exists for the management of procurement, which is delineated by the criteria outlined in procurement regulations.

When an organization fails to comply with established standards owing to insufficient financial resources, it presents a difficulty for the company (Muli, 2017). It is therefore important to examine how procurement planning affects the performance of commercial state corporations in Kisii County. Various studies have been conducted in procurement planning and organizational performance in Kenya. For instance, Asande, Kwendo and Kiongera (2023) examine the effect of procurement planning on procurement function performance in Kakamega County Government; Mwau (2017) studied the effects of procurement planning on organizational growth and development in Kenya Methodist University; and Onyango (2018) studied the effects of procurement planning on institutional performance of Mombasa Law Court. However, these studies were limited to specific organizations like Kakamega County Government, Kenya Methodist University and Mombasa Law Court and hence the findings cannot be generalized to state corporations in Kisii County, Kenya. Therefore, the study sought to establish the relationship between procurement planning and performance of state corporations in Kisii County, Kenya.

## **Objectives of the Study**

The general objective was to establish the relationship between procurement planning and performance of state corporations in Kisii County, Kenya.

The study will be based on the following specific objectives;

- i. To determine the effect of user needs identification on performance of state corporations in Kisii County, Kenya.
- ii. To assess the effect of best procurement method on performance of state corporations in Kisii County, Kenya.

## **LITERATURE REVIEW**

### **Theoretical Review**

#### **Theory of Constraints**

The theory of constraints (TOC) was developed by Eliyahu M. Goldratt in 1984. It focuses on identifying and managing the constraints or bottlenecks that limit an organization's ability to achieve its goals. According to TOC, every system, whether it's a manufacturing process, a service operation, or an entire organization, has at least one constraint that prevents it from achieving higher levels of performance (McCleskey, 2020). The primary goal of TOC is to identify and alleviate these constraints to improve overall efficiency and effectiveness. TOC emphasizes the importance of managing constraints strategically, rather than attempting to optimize every aspect of a system simultaneously, as improvements made outside of the constraint are unlikely to yield significant benefits (Mabin & Balderstone, 2020). TOC operates on several key assumptions. Firstly, it assumes that organizations operate as systems with interconnected parts, and that the performance of the entire system is limited by its weakest link or constraint (McCleskey, 2020). Secondly, TOC assumes that constraints can exist at various levels within an organization, including physical constraints in production processes, policy constraints in decision-making, and market constraints in customer demand. Thirdly, TOC assumes that the goal of any organization is to maximize throughput, which refers to the rate at which the organization generates value for its customers.

Finally, TOC assumes that improvements made to non-constraints within a system may not necessarily lead to improvements in overall system performance, and that resources should be focused on alleviating constraints to achieve the greatest impact. By operating on these assumptions, TOC provides a structured approach to identifying, prioritizing, and managing constraints to optimize organizational performance (Wu, Zheng & Shen, 2020). The theory of constraints (TOC) was used in explaining the effect of user needs identification on performance of state corporations in Kisii County, Kenya as first specific objective. According to TOC, every system, including state corporations, has at least one constraint that impedes its ability to achieve higher levels of performance. In this context, user needs identification serves as a crucial step in identifying constraints related to meeting the expectations and requirements of stakeholders, including citizens, businesses, and government entities (Mabin & Balderstone, 2020). By accurately identifying user needs through robust needs assessment processes, state corporations in Kisii County gain insights into the specific requirements, preferences, and expectations of their stakeholders. This information allows organizations to identify potential constraints that may arise from mismatches between user needs and organizational capabilities. For instance, if a state corporation fails to accurately identify user needs related to service delivery or infrastructure development, it may encounter constraints such as low customer satisfaction, high complaint rates, or ineffective resource allocation.

#### **Performance Theory**

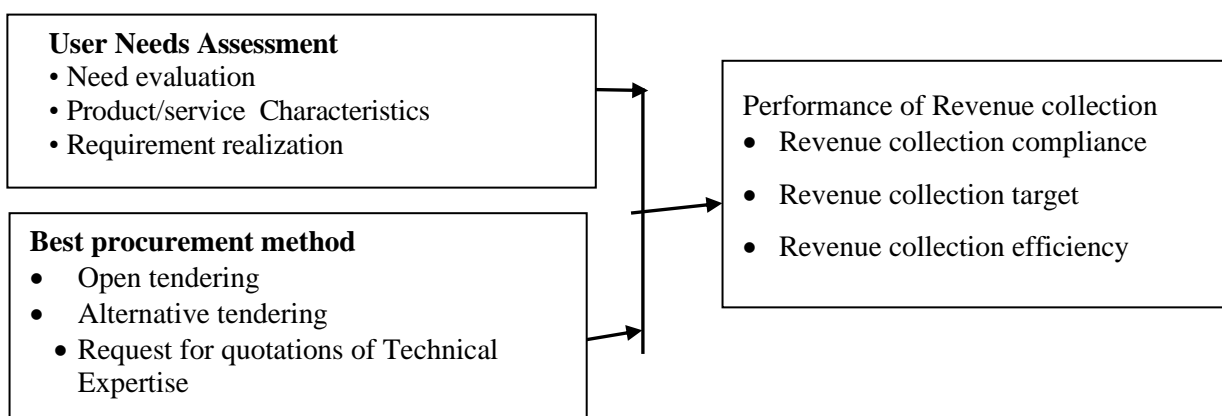
Performance theory emerged in the mid-20th century and was significantly associated with the

work of Victor Turner (1988) and Richard Schechner (1985). Performance theory examines the ways in which human behavior and social interactions can be understood and analyzed as performances. It suggests that individuals engage in performances in everyday life, adopting roles, scripts, and behaviors that are influenced by social norms, cultural values, and contextual factors (Jackson, 2020). Performance theory explores how performances are constructed, enacted, and interpreted within specific cultural, social, and historical contexts, and how they shape identity, power dynamics, and social relations (Austin & Lucy-Clark, 2020). Performance theory posits several key assumptions about human behavior and social interactions. Firstly, it assumes that human behavior is performative, meaning that individuals actively construct and present identities through their actions, gestures, and verbal expressions (Murray, 2018). Secondly, performance theory assumes that performances are inherently meaningful and communicative, serving as vehicles for expressing social meanings, values, and ideologies. Performances are not merely superficial or decorative but are imbued with cultural significance and symbolic significance. Thirdly, performance theory assumes that performances are contingent upon social context and are influenced by factors such as social roles, power dynamics, audience expectations, and cultural norms (Taylor, 2019).

Performance theory also assumes that performances are dynamic and transformative, capable of shaping social realities and challenging existing norms and structures through acts of creativity, resistance, and subversion. Performance Theory was used in explaining the effects of best procurement method on performance of state corporations in Kisii County, Kenya. According to performance theory, human behavior and social interactions can be understood and analyzed as performances, shaped by cultural norms, social expectations, and organizational dynamics. In the case of procurement, selecting the best procurement method is akin to staging a performance that involves various 16 actors, scripts, and roles within the organization (Jackson, 2020). The choice of the best procurement method can significantly impact the performance of state corporations in Kisii County by influencing the efficiency, effectiveness, and outcomes of procurement activities. Performance theory suggests that different procurement methods, such as open tendering, alternative tendering, or request for quotations, represent distinct performances that reflect organizational values, priorities, and strategies. For example, selecting an open tendering process may signal a commitment to transparency, fairness, and competition, while alternative tendering methods may emphasize innovation, flexibility, and collaboration with suppliers.

### **Conceptual Framework**

A conceptual framework is a model or structure that describes the fundamental ideas, relationships, variables, and assumptions of a study or theoretical framework. It provides a foundation for understanding and organizing the ideas, theories, and concepts that underpin a particular study or field of inquiry (Latwal, 2020). Figure 1 shows the relationship between independent study variables and dependent variable.



## **User Needs Assessment**

User needs assessment is a systematic process of gathering, analyzing, and understanding the requirements, preferences, and expectations of end-users or stakeholders for a particular product, service, or solution (Noor, Khalfan & Maqsood, 2023). It involves identifying the specific needs, challenges, and goals of the target users through various research methods such as surveys, interviews, observations, and market research. The goal of a user needs assessment is to gain insights into the needs of users to inform the design, development, and improvement of products, services, or solutions that effectively meet their requirements and expectations (Carvalho, Sanstad & Larsen, 2019). Needs evaluation is a critical component of user needs assessment that involves assessing the importance, urgency, and priority of identified user needs (Abdi, 2022). This process helps in determining which needs are most crucial and should be addressed first, considering factors such as the impact on user satisfaction, organizational goals, and available resources. Needs evaluation may involve ranking or scoring identified needs based on predefined criteria, as well as User Needs Assessment.

Community empowerment as gathering feedback from stakeholders to validate the importance and relevance of identified needs (Matwa, 2023). Product/service characteristics refer to the attributes, features, and specifications of a product or service that define its quality, functionality, and performance (Mgawe & Kiwango, 2022). These characteristics encompass various aspects such as physical attributes, functional capabilities, performance metrics, safety standards, usability, and aesthetics. Understanding and defining product/service characteristics is essential for ensuring that the final output meets the needs and expectations of users (Nkirete, 2022). It involves specifying detailed requirements and standards that guide the design, development, production, and evaluation processes to ensure that the product or service effectively fulfills its intended purpose. Requirement realization is the process of translating identified user needs and product/service characteristics into actionable requirements and specifications for the design, development, and implementation of a product, service, or solution (Musoni & Gathiru, 2023). It involves turning user needs and preferences into concrete features, functionalities, and performance criteria that can be incorporated into the final output (Asiimwe & Mayanja, 2022).

Requirement realization requires collaboration between stakeholders, designers, developers, and other relevant parties to ensure that the final product/service meets the identified needs and specifications effectively. This process may involve iterative refinement and validation to ensure that the requirements accurately reflect user expectations and organizational goals.

## **Best Procurement Method**

The best procurement method refers to the approach deemed most suitable and effective for soliciting bids, selecting suppliers, and acquiring goods or services in accordance with organizational needs and objectives (Mosley & Bubshait, 2021). The selection of the best procurement method depends on various factors such as the nature of the procurement, the complexity of the project, the level of competition desired, and the available resources. Choosing the best procurement method is crucial for ensuring transparency, fairness, and efficiency in the procurement process while maximizing value for the organization (Mohammadivojdan, Merzifonluoglu & Geunes, 2022). Open tendering, also known as competitive bidding, is a procurement method where bids are invited from a wide range of suppliers or contractors through a publicly advertised tendering process (Lydiam 2020). In open tendering, procurement opportunities are advertised openly, allowing any interested supplier or contractor to submit a bid in response to the tender invitation. The bids are evaluated based on predetermined criteria, such as price, quality, and compliance with specifications, and the contract is awarded to the supplier offering the best value for money (Carvalho, Sanstad & Larsen, 2019). Open tendering promotes transparency, fairness, and competition in the

procurement process, ensuring that all qualified suppliers have an equal opportunity to compete for the contract. Alternative tendering refers to procurement methods that deviate from traditional open tendering approaches and may include methods such as selective tendering, negotiated tendering, or framework agreements (Matto & Nsimbila, 2021). Alternative tendering methods are typically used in situations where open tendering is not feasible or appropriate, such as for specialized or complex projects, emergency procurements, or when there are limited qualified suppliers available (Msanga, 2020). Alternative tendering methods allow organizations to tailor the procurement process to specific project requirements and objectives while still ensuring fairness, transparency, and value for money. Request for quotations (RFQ) is a procurement method used to solicit competitive price quotes from suppliers for standard or off-the-shelf goods or services (Njoki, Ismail & Osoro, 2021). In an RFQ process, the buyer sends a request to multiple suppliers, asking them to submit quotations specifying the price, terms, and conditions for supplying the requested goods or services. RFQs are typically used for low-value or routine procurements where the requirements are well-defined, and price is the primary consideration (Gatari, Shale & Osoro, 2022). The quotations received are evaluated based on price, delivery terms, and other relevant factors, and the contract is awarded to the supplier offering the best value for money. RFQs streamline the procurement process for simple acquisitions while still ensuring competitive pricing and supplier accountability.

### **Performance of State Corporations**

Procurement performance refers to the effectiveness and efficiency of the procurement process in achieving its objectives and delivering value to stakeholders. It encompasses various dimensions, including the quality of goods or services procured, the timeliness of delivery, adherence to budgetary constraints, compliance with legal and regulatory requirements, and the overall satisfaction of stakeholders involved in the procurement process (Sadiqeen, Ullah & Bano, 2023). Assessing procurement performance involves measuring key performance indicators (KPIs) to evaluate the extent to which procurement activities contribute to organizational goals, meet stakeholder expectations, and enhance efficiency and effectiveness in the acquisition of goods and services (Worlu & Obi, 2019). Customers' satisfaction in procurement performance refers to the degree to which the needs, expectations, and requirements of internal and external stakeholders are met or exceeded throughout the procurement process (Isango, 2022). This includes factors such as the responsiveness of procurement services, the quality and reliability of procured goods or services, the transparency and fairness of procurement procedures, and the effectiveness of communication and collaboration with suppliers (Wu, Zheng & Shen, 2020). High levels of customer satisfaction indicate that procurement activities are aligned with stakeholder needs and priorities, fostering trust, confidence, and positive relationships between procurement teams and stakeholders. Less complaint in procurement performance refer to a reduction in the frequency and severity of grievances, disputes, or issues raised by stakeholders regarding the procurement process or outcomes.

This includes complaints related to delays in delivery, discrepancies in specifications, breaches of contract, ethical concerns, or dissatisfaction with the quality of goods or services procured (Issa, 2018). Minimizing complaints indicates that procurement activities are conducted with integrity, transparency, and accountability, resulting in smoother transactions, improved supplier relationships, and enhanced trust and confidence in the procurement function (Mabin & Balderstone, 2020). Community empowerment in procurement performance refers to the positive social and economic impacts generated by procurement activities on local communities, particularly in terms of job creation, economic development, capacity building, and social inclusion (Asande, Kwendo & Kiongera, 2023). It involves actively engaging with local suppliers, businesses, and communities to promote their participation in procurement

opportunities and ensure that procurement activities contribute to broader development objectives and social welfare (McCleskey, 2020). Community empowerment in procurement performance reflects a commitment to sustainable and responsible procurement practices that benefit not only the organization but also the wider community by fostering economic growth, resilience, and social equity.

## **Empirical Review**

### **User Needs Assessment and Performance of State Corporations**

In Pakistan, Noor, Khalfan and Maqsood (2023) examined the effect of user needs assessment on the effective implementation of infrastructure projects. The research will be conducted in two stages. Firstly, archival analysis was performed on a range of government documents, reports (including those from international organizations), policy documents, and relevant literature. Subsequently, case studies were selected based on the findings from the archival analysis. The unit of analysis for the case studies was the procurement of infrastructure projects within the 24 public sector of Pakistan. The findings indicated that user needs assessment led to effective implementation of infrastructure projects in Pakistan. In Somalia, Abdi (2022) conducted a study on the effects of user needs assessment on the performance of projects among humanitarian organizations. A descriptive research design was employed, targeting a population of 110 employees across five project departments within Organization for Migration (IOM). A stratified random sample of 33 respondents was selected for the study. Primary data was collected through self-administered questionnaires.

The results indicated significant relationships between needs assessment and project performance within humanitarian organizations in Somalia, particularly within IOM. Therefore, needs assessment in procurement planning significantly affected project performance. Mgawe and Kiwango (2022) evaluated the impact of procurement needs assessment on the procurement performance of public organizations in Tanzania, focusing on Babati District Council as a case study. Methodologically, the study utilized a descriptive research design. A mixed sampling approach was employed, combining simple random sampling and purposive sampling techniques to obtain a sample of 78 respondents from a population of 97 employees at Babati District Council Headquarters. Data collection instruments included questionnaires and interviews. The study found that procurement needs assessment exhibited a positive and significant relationship with the procurement performance of Babati District Council Headquarters. Furthermore, it was found that conducting needs assessments contributed to the timely delivery of quality goods, works, or services, while also reducing operational costs and meeting customer demands effectively. Asimwe and Mayanja (2022) conducted a study aimed to investigate the impact of user needs assessment on the performance of Local Governments in Uganda, focusing on Wakiso District Local Government.

The research adopted a cross-sectional approach, with a sample size of 48 respondents drawn from various stakeholders involved in procurement processes within the district. The findings revealed a positive relationship between user needs assessment and the performance of the Wakiso District Local Government. This suggests that a thorough understanding of user needs significantly contributes to improved performance outcomes within the procurement framework. Musoni and Gathiru (2023) conducted a study on the effects of procurement plan on financial performance of public institutions in Rwanda. This was a case of Rwanda Transport Development Agency (RTDA) and a descriptive and correlational research design. The population for the research comprised 72 staff members of RTDA involved in public procurement and finance management. A survey was conducted among 62 RTDA staff members using cluster sampling.

Data were collected through structured interviews and secondary sources such as financial



statements, reports, and publications. The results showed significant correlations between needs assessment and the effectiveness of Rwanda Transport Development Agency. Nkirote (2022) studied the effect of procurement needs assessment on procurement performance of selected public universities in Kenya. A descriptive research design was adopted, targeting a population of 324 participants with a sample size of 102, utilizing stratified sampling. Primary data was collected through questionnaires, and analysis was conducted using multiple linear regression models with the assistance of Statistical Packages for Social Sciences (SPSS Version 28.0). The study revealed a significant positive relationship between needs assessment and procurement performance in public universities in the Eastern region of Kenya.

### **Best Procurement Method and Performance of State Corporations**

In Saudi Arabia, Mosley and Bubshait (2021) investigated the performance of two primary procurement methods in the construction building industry: design-build (DB) and design-bid-build (DBB). In particular, the study focuses on the Saudi Arabian construction industry as a representative example of international construction practices. The comparison aims to statistically quantify the impact of project procurement methods on both objective and subjective performance indicators. The two procurement methods are distinguished by their approach to project design and construction. DB combines design and construction functions under a single contract, while DBB separates these functions into distinct contracts. In Tanzania, Lydia (2020) examined the effects of procurement methods on public programs/projects' performance. Employing a descriptive-explanatory research design, the study primarily relied on primary data sources. The researcher utilized various statistical techniques, including Spearman's correlation, linear regression modeling, and chi-square tests, to analyze the collected data. The results indicated that both domestic and international competitive bidding had a positive and statistically significant effect on project performance, holding other factors constant.

Additionally, the findings suggested a weak positive correlation coefficient between procurement methods and project performance. Matto and Nsimbila (2021) investigate the impact of the procurement method on achieving value for money in public procurement within Tanzania. Employing a cross-sectional survey design and quantitative methodology, data was gathered from 164 entities across the country. Analysis of the collected data relied predominantly on descriptive and inferential statistical techniques. The study's findings revealed that several components of the procurement methods, including tender advertising, evaluation, award, and negotiation, significantly contribute to enhancing value for money in public procurement practices within Tanzania. Njoki, Ismail and Osoro (2021) examined the impact of procurement methods on the performance of state corporations in Kisii, Kenya. The study utilized a descriptive research design. The target population comprised all registered state corporations in Kenya. A census approach was employed, surveying all 187 state corporations. The head of finance and the head of procurement function in each corporation were purposively selected as the unit of observation, resulting in 374 respondents. Primary data was collected through questionnaires. The findings of the study revealed that procurement methods significantly influence the performance of state corporations in Kenya. Gatari, Shale and Osoro (2022) evaluated the impact of procurement methods on the sustainable performance of state corporations in Kenya. The study utilized a descriptive research design, aligned with positivist philosophy. The target population consisted of all registered state corporations in Kenya, and the study adopted a census survey approach, covering all these corporations. The sampling frame included heads of finance and heads of procurement function in each of the state corporations. Primary data was collected using a research questionnaire. The study revealed that procurement methods significantly influenced the performance of state corporations in Kenya. Specifically, the findings indicated that the selected procurement methods had a notable impact on the sustainable performance of these corporations. 30 Msanga

(2020) investigated the impact of procurement methods on the performance of public projects, focusing on a road construction project in Mbagala ward, Temeke municipality. Data were collected from procurement officers, road construction personnel, and residents of Mbagala. The findings indicated that procurement methods significantly influenced the cost performance of public projects. Regression analysis confirmed a moderate correlation between procurement methods and cost performance in road construction projects. Additionally, procurement methods were found to have a substantial impact on the quality performance of public projects.

### **Performance of State Corporations**

Salim and Kitheka (2019) assessed the effects of procurement planning on procurement performance within State Corporations in Mombasa County, Kenya. A descriptive research design was employed, with data collected from 135 employees across various departments of 34 state corporations in Mombasa County. Findings indicated significant relationships between procurement planning variables and procurement performance, with procurement need identification and budgeting having notable effects. The findings showed the declining procurement performance within State Corporations in Mombasa County, measured in terms of quality products, timely delivery, cost reduction and customer satisfaction. Omwenga (2023) examined how procurement practices impact the performance of state corporations in Kenya. Employing a descriptive research design, the study surveyed all 146 State Corporations in Kenya, collecting primary data through a comprehensive questionnaire. The findings emphasized the need for organizations to improve supplier appraisal processes, prioritize long-term supplier relationships, and emphasize the strategic role of procurement functions.

The findings also showed that procurement performance measured in terms of cost efficiency, quality, lead time and inventory accountability had been declining in state corporations in Kenya. Munaku and Arani (2021) examined the influence of e-procurement on the performance of state corporations in Kenya, focusing on the Kenya Rural Roads Authority (KeRRA) as a case study. Employing a descriptive research design, the study utilized a questionnaire to collect primary data from senior procurement managers, resulting in a high response rate of 95.2 percent from a 31 sample size of 62. Statistical analysis was conducted to assess content validity and reliability of the data, followed by a simple regression model to investigate the relationship between e-procurement and state corporation performance. The findings revealed that e-procurement has significantly transformed routine purchasing transactions within KeRRA. However, despite its transformative effects, e-procurement was not found to reduce acquisition costs or free up resources within KeRRA. Nevertheless, e-procurement was shown to have a positive impact on the overall performance of state corporations in Kenya measured in terms of quality products, timely delivery, cost reduction and customer satisfaction.

### **RESEARCH METHODOLOGY**

The correlational survey research design was chosen due to its ability to illuminate the relationships between different factors and workplace contexts. “Bhattacharjee (2018) explains that this descriptive research design was developed specifically to uncover the interconnections among various factors. The unit of observation in this study was 7 state corporations in Kisii County. These state corporations collectively contribute to Kisii County’s socio-economic progress by providing essential services, fostering infrastructure development, and promoting economic growth and stability. The unit of analysis was procurement officers in the 7 state corporations in Kisii County. The study used a census approach and hence the whole population will be included in the study. This study used purposive random sampling techniques. The study used primary data, which was obtained by use of semi-structured questionnaires.

Descriptive as well as inferential statistics was employed in analyzing quantitative data with an assistance of statistical software known as Statistical Package for the Social Sciences (SPSS) version 28. Descriptive statistics are a set of numerical and graphical techniques used to summarize, present, and describe essential features of a dataset (Devi, 2019). These statistics provide a clear and concise way to understand the main characteristics of the data, including its central tendency, variability, distribution, and other key attributes (Krishna, 2020). Descriptive statistics comprised of mean, standard deviation, percentages and frequency distribution. Inferential data analysis is the process of making inferences or drawing conclusions about a population based on a sample of data. Inferential data analysis was carried out using Pearson correlation coefficient and linear regression analysis.

## **RESEARCH FINDINGS AND DISCUSSION**

Out of 94 questionnaires that were circulated to the respondents, 83 of the respondents dully filled and returned questionnaires; yielding a response of 88.29%. This was considered to be a very reliable response rate for the generalization of study findings is in line with Sharma (2015), states that a response rate of 70% and above is believed to be a reliable response rate. This was less 11 (10%) respondents who were pilot tested.

### **Descriptive Statistics**

In this section, the study presents findings on Likert scale questions on the role of inventory management practices and performance of State Corporation, Kenya. The study specifically presents the effect of user needs identification quality specification on performance of preference group's State Corporation, Kenya. Respondents were asked to use a 5-point Likert scale where 5 (SA) = Strongly Agree, 4(A) = Agree, 3(UD) = undecided, 2 (D) = Disagree, and 1(SD) = Strongly Disagree. Results obtained were interpreted using means and standard deviations where a mean value of 1-1.4 was interpreted as; (SD)=strongly disagree, (D)=disagree, N= neutral, (A)= agree and (SA) = strongly agree.

### **USER NEEDS IDENTIFICATION**

Respondents were requested to give their responses in regard to User needs identification in a five point Likert sale where SA=Strongly Agree, A=Agree, N= Neutral, D=Disagree, and SD= Strongly Disagree. Results obtained were presented in Table 4.9 below:

Respondents were requested to give their opinion on the variable User needs identification. From table 4.1, the respondents unanimously agreement that User needs identification ensured performance of Kisii County and periodic review in State corporation in Kenya viable with agreement of a mean was 3.742, and Standard Deviation of 1.0600; Through need evaluation in State corporation the respondents gave neutral response with a mean of 3.533 and Standard Deviation of.9200; their product characteristics has contribution to the quality and innovation of the user needs identification with strongly agree a Mean of 3.903, and Standard Deviation of .9005; requirement realization in User needs identification it is important to put in place and maintain procurement the respondents gave a strongly agree with a Mean of 4.061, and Standard Deviation of. 8349; The procurement management of State corporation in Kenya implements performance of state corporations in Kisii County award the respondents disagreed with a Mean of 3.541 and SD=1.3018); and User needs identification enhances performance of State corporation in Kenya, they agreed with a Mean of 3.566, Standard Deviation of .7015. This finding agrees with the findings of Nyile *et al.* (2022) who observed that clear description of User needs identification, enhance effective performance of State Corporation in Kisii County, Kenya.

**Table 4.1: User Needs Identification**

<b>Statement</b>	<b>Mean Statement</b>
Need evaluation ensures their experience Sharing through Real time basis	3.312 1.631
Through service features in State corporation Kenya has been able to make decisions on timeliness product characteristics has contribution to performance of State corporation , Kenya	3.551 .9212
By procurement management is important to put in place	3.943 .9054
User needs identification	4.031 .8344
The management of need evaluation in virtual integration	3.541 1.3013
User needs identification enhances performance Of State corporation , Kenya.	3.526 .8215

**BEST PROCUREMENT METHODS**

Respondents were asked to give their responses in regard to Best procurement methods on performance of State Corporation in Kenya i.e. 5 point likert scale where SA=Strongly Agree, A=Agree, N= Neutral, D=Disagree, and SD= Strongly Disagree. Their responses are presented in table 4.2 below:

From table 4.2, respondents, respondents agreed that Best procurement methods ensure performance of state corporation in Kisii in Kenya; the respondent gave a Mean of 4.037 and Standard Deviation of .7307; open tendering on performance of state corporation in Kisii in Kenya, they gave strongly disagree with a Mean of 4.322 and Standard Deviation of .7335; output of Best procurement methods can affect performance of Kisii County in State corporation in Kenya; the gave strongly agree with a Mean of 4.234, Standard Deviation of .8307; In alternative tendering systems to embrace a better performance of State corporation in Kenya they gave a Mean of 4.009 and Standard Deviation of .8073; Alternative Best procurement methods to performance of State corporation in Kenya; most of the respondents were neutral with a Mean of 3.925 and Standard Deviation of .7306; and to enhance market share results, our county has in recent time conducted request for quotation resolution towards performance of State corporation in Kenya; they gave a Mean of 4.131 and Standard Deviation of .7352.

These findings are in line with the findings of Nyile *et al.* (2022) who observed that the characteristic of Best procurement methods are the best value reaction to sort out non-performance of, after Best procurement methods, for resolving return on investment. The problem areas giving rise to disputes are mainly related to State corporation 's matters.

**Table 4.2: Best Procurement Methods**

<b>Statement</b>	<b>Mean</b>	<b>Std. Dev.</b>
My county embrace Best procurement methods on performance of State Corporation in Kenya.	4.331	.7331
Open tendering embrace decision making change on Performance of State Corporation in Kenya.	4.113	.7335
My county embrace alternative tendering in performance of State corporations	4.139	.8371
In cases of Best procurement methods on performance of state corporation in Kisii in Kenya	3.925	.8334
Alternative Best procurement methods for money process on performance of state corporations	4.104	.8355
To enhance Best procurement methods processes on performance of State corporation in Kenya	4.353	.7131

**Performance of State Corporation**

Respondents gave their level of agreement on various statements relating with performance of State Corporation, Kenya. The results were as presented in Table 4.3 below: From the research findings, respondents were in agreement that performance of Kisii County in Kenya is being affect by supply chain agility, they gave 63%; when asked about customer satisfaction and its effect on performance of State corporation in Kenya they gave strongly agree of 60 %; When the respondents were asked to show their level of agreement on how less complaints affects performance of State corporation in Kenya they gave strongly disagreed of 9%; When also the respondents were asked to show their level of agreement on return on investment of the in Kenya government on performance of State corporation in Kenya they gave They gave agreed of 57%; Alternative strategy to contribute to Resource allocation on performance of State corporation in Kenya they gave neutral of 43% and through strategic application, performance of private is measured by quality, flexibility, Resource allocation on performance of State corporation in Kenya they gave disagreed of 74.2%. The outcome is in line with the findings of Mutai and Osoro (2021) they observed that some of the factors that contribute to inefficiency in public procurement as corruption, delayed payments, poor planning, statutory amendments, insufficient use strategic evaluation low public participation, and improper payment procedures negatively affects performance of State corporation in Kenya in Kenya.

**Table 4.3: Performance of State Corporation**

Statements	Yes (%)	No (%)
Customer Satisfaction an affects performance of commercial state corporation State corporation in Kenya	52.2	47.5
less complaints can affects their performance Kisumu in Kenya	64	36
Access to more complaints can affect performance of State corporations	45	55
State investment can affects performance of State corporation	59	42
Complaints can affects performance of state corporation in Kenya	45.2	55.5
procurement planning on performance of state corporation in Kisii County in Kenya	75	25

**Table 4.4: Regression Coefficient Results**

	Unstandardized coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(constant)	-.132	.060	-1.144	4.004	.002
User needs identification	.464	.132	.555	5.472	.003
Best procurement methods.	.256	.115	.321	2.657	0.001

A unit change in user needs identification would thus lead to a .464 effect on performance of State corporation in Kenya sector ceteris paribus; further unit change in Best procurement methods would lead to .256 of sector also a unit Resource allocation would have an effect of .135 change in on performance of State corporation and finally a unit change in strategic resolution would have an effect of .256 of performance of State corporation in Kenya. This finding is in line with the findings of Ongeru and Osoro (2021).

## **Conclusion**

### **User Needs Identification**

The study concludes that there is a positive relationship between User needs identification and performance of state corporation in Kisii County; Speciation identification, periodic design assessment, continues improvement and proactive assessment are among the User needs identification factors that significantly influenced the performance of State corporation, Kenya. The study further concludes that by implementing User needs identification has enhanced performance of State corporation, Kenya, leading to operational increase in efficiency and effectiveness. Therefore, the study concludes that State corporation, Kenya has significantly increased their strategic quality management in the in Kenya government in strategic management repetitions.

### **Best Procurement Methods**

The researcher concludes that there is a positive relationship between Best procurement methods and performance of State Corporation, Kenya. Partnership enforcement policy, collective bargaining, alternative dispute resolution processes, free expression of concerns by involved practices are among the coordination factors that significantly influenced the performance of State Corporation, Kenya. The researcher further concludes that by adopting alternative coordination and partnership mechanisms as it was observed at State Corporation in the level of performance of State Corporation has increased. Therefore, the study concludes that State corporation in Kenya has been experiencing significant increase in service delivery through embracing proper coordination in procurement paradigm.

## **Recommendations**

### **User Needs Identification**

The study recommend that User needs identification formalizes relations between practices within a robust legal framework, but is much more besides; it is an opportunity to define the arrangements that encompass every aspect of what outcomes the State corporation in Kenya wants from the strategic and how it wants the relationship to work. This means that the in Kenya needs to take an active role in the development of the quality mechanism early on; it should not be left as a supplementary activity post negotiation. At preparation of every quality management can contribute to strategic evaluation on performance of State Corporation, Kenya. Proper User needs identification can result to high procurement of State corporation, Kenya.

### **Best Procurement Methods**

This researcher recommends that Best procurement methods had a strong relationship with performance of State Corporation, Kenya. When relationship is not properly managed, they may cause strategic delays, undermine team spirit, increase delay costs, and, above all, damage business relationships. With the increase in the number of participants in a strategic management, it is obvious that more business interactions and arguments end up with an increase in the number of strategic relationship disputes. Research in preventing and resolving relationship disputes supports the effort for better understanding and harmonization of the different cultures. Therefore, this study recommends to the management of State Corporation in Kenya to enhance and upgrade on the implementation of all applicable alternative disputes resolution mechanisms so to protect relationship with its stakeholders in procurement Paradigm.

### **Areas for Further Studies**

This research focused on user needs identification. Best procurement methods and performance of State Corporation, Kenya. The study therefore recommends a further study to

be conducted to other counties in Kenya. Then get their findings and compare with this and agree or disagree. The study also recommends replication of the study in other sectors such as manufacturing sector and public sector to allow comparison of research findings. Future researchers an investigate the factors affecting supply chain best practices broadly in all areas of concern in this profession on performance of state corporation of Kisii County within procurement.

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