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**ETHICAL PROCUREMENT PRACTICES AND PERFORMANCE OF METROPOLITAN
COUNTY GOVERNMENTS IN KENYA**

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ETHICAL PROCUREMENT PRACTICES AND PERFORMANCE OF METROPOLITAN COUNTY GOVERNMENTS IN KENYA

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ABSTRACT

Public procurement regulation is an essential tool for using public funds appropriately and making sure that quality services to citizens. Regulation of public procurement is an important tool for ensuring the efficient use of public resources and the provision of high-quality services to residents. The main objective of this study is to determine the effect of ethical procurement practices on performance of Metropolitan county governments in Kenya. The study is driven by poor service delivery in the county government and complaints of late payment from suppliers and contractors. The study seeks to establish how procurement transparency, accountability, professionalism, and integrity affect performance of metropolitan counties in Kenya. The guiding theories are; virtue ethics theory, principal agent theory, fraud-triangle theory, and Functionalist Theory. This study employed a descriptive survey design. The targeted populace was 20 managers and 60 assistant managers and supervisors in procurement and finance departments of the county governments. The study adopted census where all the target respondents were sampled. Primary data was collected using self-administered questionnaires. A pilot test was conducted with eight respondents. The questionnaires was validated using content validity while reliability was evaluated using Cronbach's Alpha Coefficient. Data were analysed using descriptive statistics and inferential statistics with the help of SPSS version 25 and presented in tables. Findings show that; there is a moderate significant correlation between transparency and County performance was ($r= 0.376$, $p\text{-value}=0.004$), weak insignificant correlation between accountability and County performance was ($r= 0.084$, $p\text{-value}=0.532$), moderate significant correlation between professionalism and County performance was ($r = 0.371$, $p\text{-value}=0.004$), and strong significant correlation between integrity and County performance ($r = 0.580$, $p\text{-value}=0.000$). The recommendations are; transparency should be encouraged at all phases of public procurement process from bidding to contract awarding, the county human resources departments should outsource recruitment of procurement staff, the county governments should adopt information systems and ensure that all procurement transactions are well documented, and county governments should not split tenders with the aim of avoiding competition

INTRODUCTION

Ethics in public procurement is an essential tool for ensuring efficient use of public resources and the provision of high-quality services to residents. Globally, public procurement contributes to 14.5% of a country's economy. In 2016, government agencies spent over \$35 trillion on behalf of their citizens on public procurement-related activities (Djankov, Asif, & Federica, 2016). Regulation of public procurement helps to ensure efficient utilization of public resources and offering standard services to residents. Governments may benefit from better services, goods, and cheaper costs as a result of improved public procurement regulation.

To achieve a faultless supply process, supply chain experts and institutions should follow ethical procurement procedures. Procurement ethical practices results to cost reduction, efficiency and effectiveness in procurement which lead to better performance (Interagency Procurement

Working Group, 2019). According to British Institute of Facilities Management (2014), ethics are the concepts that define what is considered right, good, and proper behavior. Public officers who try to gain personally through unethical procurement practices are discharged. The Code of Conduct for Procurement in Canada ensures that any person participating in procurement process, including public workers and suppliers, have a consistent knowledge of the basics. The Code unifies the federal government's anti-corruption and conflict-of-interest policies, and other procurement-related statutory and policy requirements. The purpose of this Code is to provide a unified reference for main duties and roles for both public servants and contractors. Additionally, the Code covers supplier grievances as well as procedural security (Public Works and Government Services Canada, 2016).

The Public Procurement Act (PPA) in Ghana is an all-inclusive legislative framework meant to eradicate flaws that previously existed in Ghanaian public procurement (Nsiah-Asare & Kwadwo, 2016). In her study on procurement ethics in Ghana, Ayoti (2012) found that the Ghanaian procurement system was riddled with favoritism, tribalism, and nepotism. The failure to use effective procurement processes was also revealed to be due to a lack of procurement professionalism and inadequate personnel training. Nigeria has made significant efforts to strengthen the legal framework for public procurement to curb corruption and unethical behaviors in the public sector (Ogbu & Asuquo, 2018). According to Fayomi (2019), the country's socioeconomic performance has remained lackluster throughout time, owing to a high level of corruption and mishandling of public funds. Since 2015, procurement processes in Somaliland have made significant progress. The government examined the procurement system's effectiveness and came up with a reorganization plan. These requests were made due to lack of accountability and transparency, as well as a procurement culture that prioritized value for money (Ejite, 2015). The performance of telecommunication enterprises was influenced by procurement staff qualification and experience (Hunya, 2019).

Kenya's public procurement system has improved from a chaotic, unregulated system to an efficient, lawfully controlled system in which all reforms were aimed at improving public procurement system through enhancing confidentiality, transparency, fairness, and loyalty, as well as respect for rules and regulations, among other things, aimed at achieving value for funds. Procurement practitioners in Kenya are governed by procurement laws, regulations, and standards that ensure ethical behavior. The Public Procurement Oversight Authority (PPOA) is obliged by law to make sure that every public institutions follow ethical procurement processes by adhering to procurement norms and principles stated in the Public Procurement and Asset Disposition Act (2015). Implementation of Procurement Act of 2005 and other related laws has had a great effect of performance of public institutions. The laws have to a great extent helped to uphold ethical behaviours and encourage procurement staff accountability (Onsongo, Okioga, Otieno & Mongare, 2012).

County governments are perceived as organizations that employ human resources to enhance service delivery. County governments were created to ensure that development and resources from central government are channeled down to locals in the lowest administration units, the wards. County governments are mandated to promote democratic and accountable exercise of power. Despite having all these mandates, resources from National Government and revenue from the residents, the County governments still has performance challenges. According to the County Budget Implementation Review (CBIR) Report 2019 and 2020, delivery of services in the devolved governments is not effective and successful as the Kenyan Constitution of 2010

predicted. This is due to low local revenue collection, inadequate budget funds absorption, and development expenditure are all reported in the CBIR Report 2019/20. This study focuses on performance of three metropolitan counties in Kenya (Nairobi, Kiambu, Kajiado, and Machakos Counties) measured through efficiency in service delivery, timely completion of projects, and timely payment of suppliers/contractors.

Statement of the Problem

Procurement has become a topic of public discussion and debate in many countries throughout the world, and it has undergone changes, and new laws and regulations. According to EACC (2015), procurement department accounts for 30% while procurement processes account for 46% of unethical procurement practices. EACC report that procurement irregularities in the county governments in Kenya include rigging bidders, tampering with tender documents, tampering with bidders' documents, and awarding tenders to relatives and friends. Several counties in Kenya are under investigations with the Ethics and Anti-Corruption Commission (Kenya National Integrity Alliance, 2016). Kenya's public procurement legislation were enacted with the goal of encouraging impartiality, fairness, honesty, openness, and responsibility in procurement processes (PPDA 2005; PPOA 2006). However, due to significant levels of corruption resulting from large cash flows involved in procurement processes, particularly in county administrations, this goal has not been fully realized (EACC, 2015). Despite the fact that public procurement reforms have been ongoing for some time, procurement procedures continue to be problematic in practically all Kenyan county governments (Rok, 2016).

Losing public resources and diverting finances is a common practice in Kenya because of governments' non-adherence to public procurement law and rules (Mbae, 2018). Diversion of finances leads to un-timely payment of suppliers which affects service delivery especially when suppliers can no longer supply essential products due to trend of late payment. Due to conflict of interest, some procurement staff prioritize payment to some suppliers neglecting others who have to wait longer for their payment. The delay forces some contractors and suppliers to run out of business leading to unwillingness to do business with the County government hence inefficiency in service delivery (Okeyo, 2017). Inflating costs of various products and services lead to high cost materials particularly for construction tenders. Suppliers in both private and public organizations fuel procurement fraud by kickbacks to unprofessional procurement officers in the select and tendering committee where they agree on hiking costs and share the proceedings from the contract (Nyamabanga, 2016). County governments' facilities especially the hospitals have been accused of poor services and constant harassments of county officers. The suppliers have constantly complained of delayed payments (Mwangi, Kiarie & Kiai, 2018).

There exists studies on ethical procurement practices in Kenya. Kilonzo (2017) on procurement ethics and performance of firms in Kenya showed a significant relationship between procurement ethics and organization performance. Kyalo and Kitheka (2020) study on ethical procurement practices and performance in public corporations indicated that ethical procurement practices significantly influenced performance. Muriru and Moronge (2018) study on procurement ethics and performance of public corporations concluded that ethical behaviors helps to improve procurement performance. Okeyo (2017) study on ethical procurement and performance of Homa-Bay County Government showed a significant relationship between compliance to procurement laws and performance. However, none has examined ethical procurement practices in any of metropolitan counties in Kenya. This study aimed at

investigating the effect of ethical procurement practices on performance of Metropolitan county governments in Kenya.

Objectives of the Study

- i. To determine effect of procurement transparency on performance of metropolitan county governments in Kenya
- ii. To establish effect of procurement accountability on performance of metropolitan county governments in Kenya
- iii. To investigate effect of procurement professionalism on performance of metropolitan county governments in Kenya
- iv. To assess effect of procurement integrity on performance of metropolitan county governments in Kenya

LITERATURE REVIEW

Theoretical Review

Virtue ethics is a philosophy developed by Aristotle 1958. Virtue Ethics emphasizes on a person's character regarding ethical thinking. The goal of virtue ethics is to mold humans into morally upright and accountable beings (Bryman, 2015). Learning moral principles does not cause the growth of morals, according to the notion. People should instead learn standards and values in specific situations. The goal of moral problem solving should always be to keep people's relationships intact (Gathoga, 2015). Virtue ethics concentrates on an individual's characteristics and how these characteristics help to make their lives or other people lives better. Virtue ethics enables a person to practice good behaviors and respect, show love and compassion to others. Since these virtues are inherent in a person, they motivate him or her to do good deeds for others. Ethics helps people to become change their behaviors and develop willingness to help others be becoming selfless. Virtue ethics is a holistic approach because it includes the whole individual, including abilities, character characteristics, and emotions (Rachels, 2007).

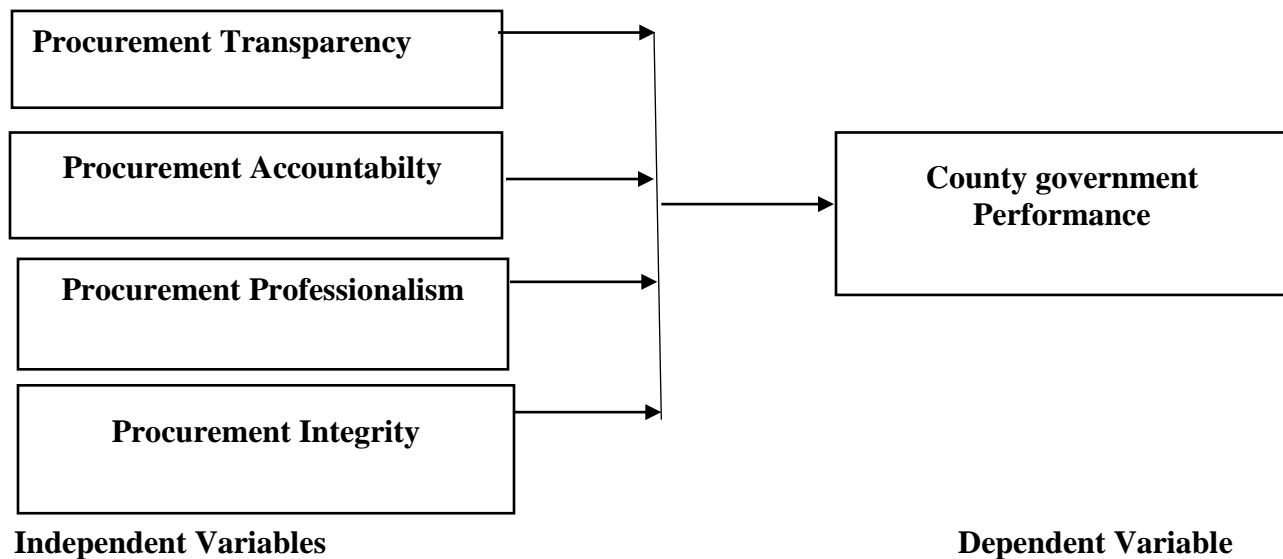
Cohen promoted principle agent theory (2003). Procurement managers in the public sector, according to the view, play a relationship role. According to the author, procurement managers, and every civil officer involved in public procurement, must act as agents (Brammer & Walker, 2011). According to the principal-agency paradigm, shirking is more likely to occur when policymakers and bureaucrats are at odds (Cronbach, 2011). Evenette and Hoekman (2005) claim that agency theory is a versatile instrument for identifying and solving long-standing challenges in procurement law and policy. While contract formulation has emphasized transparency, competitiveness, and integrity, public contract management has emphasized a cost-effective risk allocation between the state and privately owned organizations.

The was introduced by Cressey in 1953. Daigle et al linked embezzlement traits to three factors: pressure to embezzle, a chance and a justification to embezzle. The fraud-triangle theory emphasize that fraud happens when an actor has motivation/reason to commit a fraud; takes advantage of weak internal systems with less chances of being detected; and ability to be able to vindicate the fraud behavior(Daigle, Hayes & Morris, 2014). The motive for the crime is created by pressure, but the staff should also believe that he has a chance to carry out unethical act unnoticed. General information and technical skills are the two factors of perceived opportunity to violate confidence. The term "general information" relates to knowledge and the staff's position of trust, both of which might be abused. Technical abilities are the capabilities needed to

break trust. A staff's abilities required to achieve and keep his rank. According to Cressey, rationalization is a required component of the crime before it occurs. It acts as a motive for people to engage in corrupt practices (Gupta, 2015).

Functionalist Theory was proposed by Huntington (1968), who viewed corruption as a means of accessing tiresome regulatory requirements, distributing resources, and generating economic growth through fastest means possible (Dupuy & Neset, 2018). According to Huntington, corruption behavior stems from society's social structure, which puts a strong pressure on certain individuals to engage in non-conforming rather than conforming behavior. He also stated that public officials are under increasing pressure to help friends or family members obtain contracts (Folarin, 2009).

Conceptual Framework



RESEARCH METHODOLOGY

A descriptive survey design was used. This form of research can be used to identify demographic characteristics, examine cause-and-effect links between variables, and draw assumptions on future relationships (Orodho, 2014). The design is deemed suitable since it allows the researcher to obtain data on respondents' views, opinions, and habits in order to assess adherence to ethical procurement policies and their impact on county government performance.

RESEARCH FINDINGS AND DISCUSSIONS

The sample size of this study was 129 and it comprised of the heads of the supply chain, ICT and Finance departments of the various supermarkets in Nairobi City County. The researcher distributed 129 questionnaires to the respondents during data collection process and 121 were fully filled and returned to the researcher thus making a response rate of 93.8%. Kothari (2012) argues that a response rate which is more than 50% is considered adequate while excellent response rate is usually above 70%. This implies that the response rate in this research is good for making conclusions as well as recommendations.

Descriptive Analysis of the Variables of the Study**Procurement Transparency**

The first objective of the study sought to determine effect of procurement transparency on performance of metropolitan county governments in Kenya. Respondents were asked to tick on the degree to which they agree/disagree with statements related to procurement transparency. Findings are presented in Table 1.

Findings show that majority of the procurement staff opined that; the suppliers know and understand how contracts are scrutinized and awarded (M=4.14), terms of references are posted on the website and national dailies (M=3.95), the department observe supplier confidentiality (M=3.93), and the department use computer systems to improve procurement transparency (M=3.57). The procurement department does not provide information regarding procurement activities (M=2.41), suppliers' participation in the procurement process is limited (M=2.34), there is biasness in supplier sourcing (M=2.24), and the unsuccessful suppliers are not informed of the weaknesses of their tender documents (M=2.16). This is an indication that the procurement staff do not share adequate information with the public and suppliers to enhance transparency. On the contrary they may be sharing the information with their friends or kins to gain kickbacks after awarding the tender. The suppliers are also not allowed to participate in all procurement processes resulting to unfair selection of suppliers. Results conforms to Rahman (2014) that bidding system in the public sector did not effectively scrutinize tender awarding contracts that need more transparency.

Table 1: Procurement Transparency

Statements	SD		D		N		A		SA		M
	F	%	F	%	F	%	F	%	F	%	
The suppliers know and understand how contracts are scrutinized and granted	3	5.2	5	8.6	5	8.6	13	22.4	32	55.2	4.14
Suppliers are fairly treated	12	20.7	32	55.2	5	8.6	6	10.3	3	5.2	2.24
The department observe supplier confidentiality	0	0	4	6.9	9	15.5	32	55.2	13	22.4	3.93
All unsuccessful suppliers are informed of the weaknesses of their tender	14	24.1	29	50.0	9	15.5	4	6.9	2	3.4	2.16
The suppliers participate in all stages of procurement process	14	24.1	25	43.1	7	12.1	9	15.5	3	5.2	2.34
The department use computer systems to improve procurement transparency	4	6.9	9	15.5	5	8.6	30	51.7	10	17.2	3.57
Terms of references are posted on the website and national dailies	0	0	6	10.3	6	10.3	31	53.4	15	25.9	3.95
Reliable information regarding procurement activities	10	17.2	31	53.4	5	8.6	7	12.1	5	8.6	2.41

Procurement Accountability

The second objective to ascertain the effect of procurement accountability on performance of metropolitan county governments in Kenya. Respondents were asked to tick on the degree to which they agree/disagree with statements related to procurement accountability. Findings are presented in Table 2.

Findings show that the procurement department is liable for staff conduct that may be against the PPDA (M=3.67) and legal discretion is observed in the procurement process (M=3.64). The county procurement departments does not keep accurate records of all procurement transactions (2.49), there is no effective communication from the department heads (M=2.28), annual reports are not always prepared (M=2.14) and the procurement data is not always audited and provided on time (M=2.00). This implies that majority of the procurement staff are not accountable and they look for means to manipulate records for monetary gains. Loss of records is a common trend in the public sector which is a deliberate act by the public officials' committing fraud through faking paperwork. Findings concur with Ali (2018) who also found that there was lack of accountability in public procurement resulting to embezzlement of public resources and discrimination of suppliers.

Table 2: Procurement Accountability

Statements	SD		D		N		A		SA		M
	F	%	F	%	F	%	F	%	F	%	
The department is liable for staff conduct that may be against the PPDA	5	8.6	6	10.3	3	5.2	33	56.9	11	19.0	3.67
This department keeps accurate records of all procurement transactions	15	25.9	30	51.7	8	13.8	2	3.4	3	5.2	2.49
The department observes legal discretion in the procurement process	6	10.3	4	6.9	6	10.3	31	53.4	11	19.0	3.64
This department creates and publishes annual reports	12	20.7	32	55.2	8	13.8	6	10.3	0	0	2.14
Procurement data is always audited and provided on time	14	24.1	34	58.6	6	10.3	4	6.9	0	0	2.00
The procurement managers communicates frequently	14	24.1	30	51.7	3	5.2	6	10.3	5	8.6	2.28

Procurement Professionalism

The third objective of the study sought to investigate effect of procurement professionalism on performance of metropolitan county governments in Kenya. Respondents were asked to tick on the degree to which they agree/disagree with statements related to procurement professionalism. Findings are presented in Table 3.

Findings show that the county governments hires professionally qualified and experienced procurement staff (M=3.71) and the procurement staff have procurement education background (M=3.34). Despite their education qualification, the procurement staff do not offer quality services (M=2.28) due to inadequate resources and equipment (M=2.10). The county government does not enhance staff training (M=2.3) and majority of the procurement staff are not part of members of procurement professional bodies (M=1.90). The findings indicate that the county government has made efforts to hire skilled procurement staff though they are challenged with resources and equipment for staff development. Due to lack of in-service training, the procurement officers offer unprofessional services and may also indulge in unethical procurement practices. Findings are in agreement with Nsiah-Asare and Kwadwo (2016) who found that the main challenge in public procurement process inadequate resources for procurement staff in-service training and poor measures of monitoring and evaluating procurement policies. The findings also support Sengbeh (2015) that public entities are increasingly embracing professionalism in public procurement.

Table 3 Procurement Professionalism

Statements	SD		D		N		A		SA		M
	F	%	F	%	F	%	F	%	F	%	
The Procurement staff have procurement education background	6	10.3	5	8.6	0	0	32	55.2	15	25.9	3.34
The procurement staff are members of procurement professional bodies	17	29.3	33	56.9	5	8.6	3	5.2	0	0	1.90
The county hires professionally qualified and experienced procurement staff	3	5.2	8	13.8	5	8.6	29	50.0	13	22.4	3.71
Staff training is enhanced in procurement department	13	22.4	36	62.1	3	5.2	6	10.3	0	0	2.03
Procurement staff have adequate resources and equipment	13	22.4	33	56.9	5	8.6	7	12.1	0	0	2.10
Procurement staff offer professional services	24	41.4	16	27.6	3	5.2	8	13.8	7	12.1	2.23

Procurement Integrity

The fourth objective of the study sought to assess effect of procurement integrity on performance of metropolitan county governments in Kenya. Respondents were asked to tick on the degree to which they agree/disagree with statements related to procurement integrity. Findings are presented in Table 4.

Findings show that the department’s staff have pledged to laid down code of conduct (M=4.52), the department has clear rules on personal interest in the tendering process (M=4.36), and staff seeks to make efforts to understand the operations of the suppliers (M=4.03). There are flaws in the departments as evidenced by certain practices such as evaluating tender evaluation process separately from the price (M=2.07), lack of adherence to an integrity code (M=2.03), and lack of an independent internal control systems detect corruption (M=2.02). This implies that the procurement staff pledge to laid down code of conduct but do not adhere to the integrity code. This could be due to loopholes created by lack of independent control systems to detect corruption in the county governments. Findings agree with Ebekoziem (2019) that the key causes

of unethical procurement were poor leadership, fragile laws, and greed resulting to exaggerated contract costs, kickbacks and fraud, substandard buildings and conspiracy tendering. Mbae, (2018) also found that losing public resources and diverting finances is a common practice in Kenya because of governments' non-adherence to public procurement law and rules.

Table 4 Procurement Integrity

Statements	SD		D		N		A		SA		M
	F	%	F	%	F	%	F	%	F	%	
The department has clear rules on personal interest in the tendering process,	3	5.2	3	5.2	5	8.6	18	31.0	32	55.0	4.36
The department's staff have pledged to laid down code of conduct	0	0	2	3.4	4	6.9	14	24.1	38	65.5	4.52
Staff seeks to make efforts to understand the operations of the suppliers	0	0	3	5.2	5	8.6	37	63.8	13	22.4	4.03
The tender evaluation process is evaluated separately from the price	13	22.4	32	55.2	8	13.8	4	6.9	1	1.7	2.10
Staff in the procurement department adhere to an integrity code	12	20.7	34	58.6	8	13.8	4	6.9	0	0	2.07
There is an independent internal control systems detect corruption	19	32.8	26	44.8	6	10.3	7	12.1	0	0	2.02

County Government Performance

In order to measure state performance of the metropolitan counties, respondents were asked to tick on the extent to which they agree with listed statements on county performance. Findings are presented in Table 5

Findings shows that the county governments perform poorly as evidenced inefficient service delivery (M=2.43), delay in completion of public projects (M=2.14), and delay in suppliers'/contractors' pay (M=1.95). The finding concurs with Mwangi, Kiarie and Kiai, (2018) who found that County governments' facilities area characterized with poor services and constant harassments of county officers.

County Government Performance

Statements	SD		D		N		A		SA		M
	F	%	F	%	F	%	F	%	F	%	
The county government delivers services efficiently	7	12.1	34	58.6	6	10.3	7	12.1	4	6.9	2.43
County government projects have been completed on time for use by the public	27	46.6	15	25.9	4	6.9	5	8.6	7	12.1	2.14
The suppliers/contractors are paid on time	10	17.2	41	70.1	7	12.1	0	0	0	0	1.95

Correlation Analysis

To depict the link between the study variables, the researcher used Karl Pearson's coefficient of correlation (r). Connection coefficients (r) ranging from 0.10 to 0.29 indicate weak correlation, 0.30 to 0.49 indicate medium correlation, and 0.50 to 1.0 indicates significant correlation (Wong & Hiew, 2005). According to the 0.05 threshold of significance employed in this investigation, the variables were significant. Table 6 summarizes the findings:

Findings show that the Pearson correlation coefficient for transparency and County performance was (r= 0.376, p-value=0.004), that of accountability and County performance was (r= 0.084, p-value=0.532), correlation between professionalism and County performance was (r = 0.371, p-value=0.004) and correlation between integrity and County performance (r = 0.580, p-value=0.000). This shows that the correlation between transparency and County performance was moderate and significant, that of accountability and County performance was weak and insignificant, correlation between professionalism and County performance was moderate and significant and correlation between integrity and County performance was strong and significant. Findings are in agreement with; Okwedo and Muthini (2020) that procurement professionals' transparency is positively related to procurement performance, Mwasikili (2020) that procurement professionalism significantly influence procurement performance, and Kyalo and Kitheka (2020) that procurement integrity had significant effect on the performance.

Correlation Coefficients

Variables	County performance	Transparency	Accountability	Professionalism	Integrity
County performance	Pearson Correlation Sig. (2-tailed)	1			
Transparency	Pearson Correlation Sig. (2-tailed)	.376** .004	1		
Accountability	Pearson Correlation Sig. (2-tailed)	.084 .531	.049 .714	1	
Professionalism	Pearson Correlation Sig. (2-tailed)	.371** .004	.229 .084	.352 .007	1
Integrity	Pearson Correlation Sig. (2-tailed)	.580 .000	.513 .000	.077 .567	.187 .161

Regression Analysis

Table 4 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.682 ^a	.565	.525	1.067

Table 5 Analysis of Variance

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	52.521	4	13.130	11.526	.000 ^b
	Residual	60.376	53	1.139		
	Total	112.897	57			

Table 6 Regression of Beta Coefficient and Significance

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.466	0.710		3.876	0.044
Transparency	0.310	0.133	0.250	2.325	0.024
Accountability	0.064	0.169	0.045	.381	0.705
Professionalism	0.347	0.108	0.354	3.204	0.002
Integrity	0.745	0.172	0.510	4.341	0.000

The model summary show that; the four independent variable cause 56.5% variations in county performance. Therefore other procurement ethics that were not part of the project scope contribute to 47.5% variations in of county performance. In addition, the F-statistic = 11.526 (0.000) hence the model was fit to test the study variables.

From the above regression model holding, procurement staff transparency, accountability, professionalism, integrity at constant zero, performance of county government will be 1.466. It was established that a change in transparency may cause a 0.310 change in performance of county government; a change in accountability may cause 0.064 change in performance of county government, a change in professionalism may cause 0.347 change in performance of county government and a change in integrity may cause 0.745 change in performance of county government. From the findings, procurement staff integrity affect county government performance to a very great extent while accountability had the least effect on county government performance.

Conclusion

The county governments' procurement officials are not transparent in the procurement functions. There is favoritisms in selection of suppliers whereby some the procurement officers give tenders to their friends and family. The suppliers do not participate in every stage of the procurement process which may hinder them from accessing crucial information related to the tendering process. This is an indication that the procurement officers are not open with everyone involved in the county procurement. Involving suppliers in every stage of procurement helps them to understand the timelines, expected quality of deliverables, supplier selection criteria among other procurement practices. Unsuccessful suppliers also have the right to know the weakness of their tender documents with as much transparency as possible. The study concludes that lean supply chain management has a positive and significant influence on the performance of Supermarkets in Nairobi City County with a regression coefficient of 0.382. Findings revealed that lean supply chain management (warehousing management, customer relationship management and information sharing) influences the performance of Supermarkets in Nairobi City County. Customer Relationship Management is an important factor in improved customer

Responsiveness thereby improving the level of customer satisfaction. Information sharing allows for high customer service levels, product quality, fast response to changes in the market and expanding its market share and sales.

County government performance is affected by procurement officers' accountability. Some officers fail to keep correct records, which is a requirement for procurement accountability and control. To preserve openness and give an audit trail of controls, each procurement phase must be documented. The records makes it easier to refer documents in case of auditing suppliers complaints regarding order and payment of supplies. Records are also used in case of law suits to provide evidence particularly in cases of fraud in the procurement process.

Some procurement officers in the county government are nor employed on merit. Only a few are members of professional procurement bodies. Lack of procurement skills affect service delivery. The staff who are not hired on merit may ignore procurement ethics as they try to impress their godfathers through kickbacks. Supplier confidentiality is a key ethical procurement practice. Procurement officers need to observe confidentiality in the procurement process. This ensures success of the entire procurement process. Adherence to integrity codes helps to avoid issues of self-interest in tendering and favoritisms of suppliers. While unsuccessful tenderers need feedback to identify their weaknesses, successful tenderers need the confidential information to fulfill the requirements of the contract.

Recommendations

Transparency should be encouraged at all phases of public procurement process from bidding to contract awarding as this will affect service delivery in the county government. The county governments need to emphasize more on open tendering to enhance transparency. This may be achieved through public sensitization and publicity through various media so that any interested supplier can openly participate in the tendering process. County government executives should ensure that there is fairness and transparency in the procurement process to maximize use of available public resources and service delivery in various sectors. The county human resources departments should outsource recruitment of procurement staff. This will ensure that the staff are hired on merit and are adequately skilled in procurement. There should also be frequent auditing of the county staff to assess if all the procurement officers are qualified. This will help to eradicate staff who are fixed in the officers by people they know and not based on their academic qualification.

To enhance accountability, the county governments should adopt information systems and ensure that all procurement transactions are well documented for easier reference. This will also help to reduce operational costs and enhance efficiency of the county government services. The information systems will also help to reduce corruption in the county governments and empower the general public to actively participate and assist in ensuring public funds are utilized effectively. The county government may also review the salaries of the procurement staff to avoid the temptation of funds embezzlement in the county. Findings shows that the tender evaluation process is evaluated separately from the price and therefore, the county governments should not split tenders with the aim of avoiding competition. The procuring officers should also try to detect collusion of suppliers to ensure that and goods/services received reflect the exact quality specified in the tender documents.

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