

# INFLUENCE OF EVALUATION PREQUALIFICATION PRACTICES ON PERFORMANCE OF THE PROCUREMENT DEPARTMENT AT MOI UNIVERSITY

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#### **ABSTRACT**

Service delivery in public universities is expected to be quality and efficient. However, in public universities in Kenya are continuously grapple with limited budget, weak and inadequate infrastructure, lack of resources and facilities and manpower problems. Moi University is also faced by these challenges in delivering service. The purpose of this study is to establish the influence evaluation prequalification practices on performance of the procurement department at Moi University, Kenya. The study was guided by, Stakeholder Theory. The study adopted descriptive survey design. The total accessible population was 298 participants from Moi University comprising of; be 190 administration staffs, 12 procurement staffs, 42 finance staffs, 34 library staffs, 10 quality management and 10 management staffs. The study used Yamane formula, to calculate the sample size of 171 respondents. The study adopted stratified and simple random sampling to select respondents. Data was collected using questionnaires. The collected data cleaning, coded, managed and analyzed with aid of SPSS software version 23. Data analysis was done using descriptive and inferential statistics. Descriptively data were analyzed using frequency, percentages, means and standard deviations. Inferentially data were analysed using correlation and multiple regression models. Prequalification evaluation has a significant impact on the procurement performance with a coefficient value of 0.125 and a significance level of 0.000<0.05. Evaluation prequalification has a positive effect on performance of the procurement department. Critical revitalization of procurement process is a requirement as it can assist in ensuring that organizations embrace modern technological ways and trends in handling and addressing procurement issues

**Key words**; Evaluation, pre-qualification, performance, procurement, process.

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#### **Background to the Study**

The standard procurement prequalification document has been prepared for use by the procuring entities and is intended for use in prequalifying. The concept of pre-qualification of suppliers in the procurement function is a strategic activity in public institutions it fosters competition in contracting, acquisition and disposal of goods and services (Kahiu, 2015). The procurement function in the business industry has been associated with adverse practices such as corruption and escalation of costs. There is therefore need to carry out a study with a focus on the effect of supplier pre-qualification on supplier performance with the aim of establishing its contribution to the procurement function in terms of cost, cycle time and quality.

In general, the procurement function is one of the key pillars in any organization hence its contribution is significant. The procurement function has changed conventional purchase and suppliers' role in public institutions to strategic management to optimize returns while cutting costs, enhancing competition and accountability, fostering the culture of fair play in the business industry and eradication of corruption (Yawar & Kauppi, 2018). The purpose of supplier prequalification is to allow a procuring entity to identify a shortlist of potential bidders who have the experience, technical, financial capacity as well as legal suitability to provide the product/service needed to be procured. Following this evaluation, the entity then invites the shortlisted bidders to tender. Purchasing plays a strategic role in a firm's profitability and enhanced shareholder value.

In United States it's through pre-qualification of supplies that organizations are able to optimize returns while cutting costs, enhancing competition and accountability, fostering the culture of fair play in the business industry, improving performance procurement and eradication of corruption (Chirchir, & Gachanga, 2015). The main objectives of carrying out prequalification procurement are to remove incompetent bidders, draw basic requirements for bidding and remove unsuitable bidders on legal basis. It is important to perform prequalification procurement when time and costs are realistic as compared to the risks facing the organization. Some of these risks include litigation for failure to meet stipulated quality standards, time and specification, loss of customers due to supply failures. It may also result in insolvency of both procuring entity and suppliers.

In Ghana effective procurement policies are important from a development perspective. Prequalification procurement is a risk management strategy by procuring entities to reduce suppliers' related risks such as failure to deliver supplies on time, health, improve performance and safety needs, litigation costs due to failure or cancelation of tender, suppliers' insolvency, technical competences as well as resource capabilities (Hong, Lee, & Zhang, 2018). Prequalification procurement is important especially in costly procurement and sensitive tenders. Prequalification of suppliers can be a complex activity that requires expertise in the area. This guide is intended only as a starting point to provide an overview of the main issues that need to be considered. It is not intended that this guide replace expertise and other valuable resources that are required to produce successful outcomes for departments or agencies.

To manage effectively and more efficiently the procurement process, procuring entities through the existing legal framework are required to firstly consolidate departmental procurement plans to provide the entity's corporate procurement plan which before its implementation must get the accounting officer's approval (Kiage, 2013). Procurement plan is an instrument for implementation of the budget and should be prepared by the user departments with a view to avoiding or minimizing excess votes in the entities' budgets and to ensure that procurements do not proceed unless there are funds to pay for them. This implies that all procurement plans must be well integrated into the budget process based on the indicative budget as appropriate and in compliance with the procurement law leading to procurement performance.

Moi University was established by the Government in mid-1984 and building work on the site near Eldoret, commenced in the following year. The university Administration moved from its temporary offices in Eldoret to present main campus (Kesses), Uasin Gishu County

on July 29, 1986. The University currently has four campuses, namely: Main Campus, Town Campus, Eldoret West Campus and Odera Akang'o Campus. The Town campus hosts the College of Health Sciences (Medical Complex), School of Aerospace Sciences (Rivatex) and School of Law (Annex) while the Eldoret West Campus is home to our Privately Sponsored Students Programmes (PSSP). When the Moi University that deploys effective supplier performance management ensures that a supplier's performance meets the expectations defined in the contract and against market norms. It includes the management of actual performance, identification of performance gaps and agreement of actions to achieve desired performance levels (Blome, Hollos, & Paulraj, 2014). Supplier performance management not only ensures that those benefits identified in the contracting stage are delivered, but that value delivery continues for the life of the contract.

#### **Statement of Problem**

The public universities are expected to deliver quality and efficient services. However, Kenyan public universities have to continuously grapple with limited budget, weak and inadequate infrastructure, lack of resources and facilities and manpower problems. Naturally, they can pay little heed to the issue of knowledge management, which calls for considerable investment in terms of money, time, planning and efforts. Creating a culture of knowledge appropriate hardware and software, building information and acquiring communications infrastructure and developing human resources. In Moi University is also faced by challenges in delivering service. There has been complain about Enterprise Resource Planning (ERP) system being misconfigured leading to the loss of students' marks and fee balances. The University also experienced a number of challenges such slow development of physical facilities, uncoordinated expansion into low potential areas, and over reliance on outsourcing of teaching facilities, poor financial management and declining productivity of staff, inadequate ICT infrastructure, poor health services for both staff and students and inadequate funding of research activities. Currently, there are weak oversights institutions, lack of transparency, poor procurement and expenditure linkages, inefficiencies, and delays, records management that is poor, bureaucracy, political interest and rampant corruption. Transparency International report (2017) indicated that contract by public entities and the government have been unclean. Many studies have been executed on general procurement performance. For instance, Akitonye (2014) found out that sound Prequalification evaluation, although rarely adopted were necessary for the financial success of manufacturing firms in Germany. Abdi (2012) study on Prequalification evaluation of Kenyan public state corporations. Most studies have focused on procurement performance in financial institutions and manufacturing firms without incorporating the influence of procurement planning practices on performance of the procurement department at Universities. This study therefore is undertaken to bridge the gap in that, to establish the influence of evaluation pregualification practices on performance of the procurement department at Moi University, Kenya.

#### **Research Objective**

To determine the influence of evaluation prequalification practices on performance of the procurement department at Moi University.

#### **Research Hypotheses**

 $\mathbf{H}_{01}$ : Evaluation prequalification practices have no significant influence on performance of the procurement department at Moi University.

#### **Literature Review**

This section covers theoretical review, empirical review and conceptual framework.

#### **Stakeholder Theory**

Supplier management practices was guided by the stakeholder theory was developed by Edward Freeman (1984). It states a view of capitalism that stresses the interconnected relationships between a business and its customers, suppliers, employees, investors, communities and others who have a stake in the organization. The theory argues that a firm should create value for all stakeholders, not just shareholders. It is vital that supplier prequalification method be able to bring jointly all of the stakeholders into a common partnership that meets all stakeholders' needs and demands. The scenario for assessing suppliers and how they are going to deliver is complicated, consisting of large levels of uncertainty and ambiguity, complex relationships caused by several conflicting objectives and competing stakeholder values such as reducing costs while meeting the needs of the partners.

The stakeholder theory based on the assumption that businesses can only be considered successful when they deliver value to the majority of their stakeholders. The nature of corporation's new concerns for stakeholders must be brought into question is it for reasons of long-term profitability or actual societal good? Stakeholder theory might be a cover for corporate opportunism. The theory is relevant to the study because it centers on the character of the relationships in terms of activities and results for the company and for stakeholders, the interests of all legitimate stakeholders are of intrinsic value and it is assumed that there is no particular existing set of interests.

Through such partnerships the purchasing entity can maximize on quality and reduced cycle time while reducing unnecessary costs leading to increased savings and better service delivery to all stakeholders. The criticism of stakeholder theory is vacuous and offers an unrealistic view of how organizations operate. In this view, the organization is a shell that can be written upon freely by the various groups that lay claim to the corporation. The firm has very few innate interests.

#### **Evaluation Prequalification and Performance of the Procurement Department**

Aje, (2012) examined the impact of contractors' prequalification on construction project delivery in Nigeria. Prequalification of contractors is a very important step in construction project procurement under the contract "Due Process" policy in Nigeria. The purpose of this study, therefore, is to investigate the impact of contractors' prequalification on cost, time and quality performance of construction projects. The outcome of this study assisted clients and consultants in the construction industry to carry out objective assessment of contractors' potential performance in relation to project goals prior to contract award. However, the study was done in Nigeria and other study need to be done in Kenya.

Jain, Singh, Yadav and Mishra, (2014) did a study using data mining synergies for evaluating criteria at pre-qualification stage of supplier selection. The proposed research aims to introduce a data mining approach, to discover the hidden relationships among the supplier's pre-qualification data with the overall supplier rating that have been derived after observation of previously executed work for a period of time. It provides an overview that how supplier's initial strength influences its final work performance. Nevertheless, the study used data mining synergies for evaluating criteria at pre-qualification stage of supplier selection while the current study focused on determining influence of evaluation prequalification on performance of procurement department.

Lydia, (2017) did an evaluation of the factors affecting supplier prequalification by public entities on procurement performance. The target population of the study includes all employees of Kisii University whose population is 1141. After collection of data with questionnaires, editing was done. The study found out that; conformance is one of the influences of supplier commitment on procurement performance. However, the study focused on factors affecting supplier prequalification by public entities on procurement performance while the current study majored on influence of evaluation prequalification nonperformance of procurement department.

Mbuchi, and Kwasira, (2016) examined the influence of Supplier Prequalification Criteria on Procurement Performance at Kenya Rural Roads Authority. Prequalification of suppliers is a critical stage in the procurement process because it helps an organization to identify potential supplier who could be called upon to provide goods and services. In this context, the coefficient of determination (R Square) of 0.290 indicates that the four independent variables contributed to 29.0% of the variance in dependent variable. However, the study focused on supplier prequalification criteria on procurement performance at Kenya Rural Roads Authority while the current study majored on influence of evaluation prequalification on performance of procurement department.

Acheamfour, Kissi and Adjei-Kumi, (2019) discussed on ascertaining the impact of contractor's pre-qualification criteria on project success criteria, the selection of a suitable contractor for a project has a significant impact on project success. In order to avoid the selection of an incapable contractor, the capabilities of contractors must be assessed prior to tendering through pre-qualification. However, the pre-qualification process is characterized by partiality and ambiguity. The findings indicated a clear relationship between contractors' pre-qualification and project success. However, the study majored ascertaining the impact of contractors' pre-qualification criteria on project success criteria while the current study majored on influence of evaluation prequalification on performance of procurement department.

Modupe and Ola (2016) examined the relevance of contractors' prequalification criteria to time performance of civil engineering project. Contractors' prequalification criteria had both positive and negative relationship with time performance of civil engineering project at varying degree of significance. Therefore, prioritizing reputation and past performance as well as strict adherence to the impact order of the set of criteria for contractors' prequalification listed in this study would lead to achievement of civil engineering project that meet time target. Nevertheless, the study majored on elevance of contractors'

prequalification criteria to time performance of civil engineering project while the current study focused on prequalification on performance of procurement department.

#### **Conceptual Framework**

According to Mugenda and Mugenda (2003), a conceptual framework refers to the conceptualization of the relationship between variables in the study and it is shown diagrammatically.

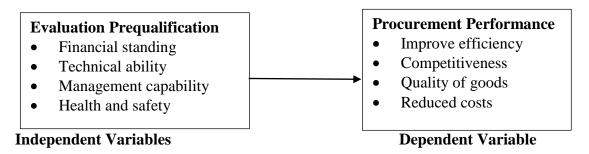


Figure 1: Conceptual Framework

#### RESEARCH METHODOLOGY

This area covered research design, target population, sample size and sampling procedures, research instrument, pilot study, data analysis and presentation.

#### **Research Design**

The study adopted descriptive survey design. Descriptive survey design is all about describing people who take part in the study. In survey method research, participants answer questions administered through interviews or questionnaires. After participants answer the questions, researchers describe the responses given. Descriptive survey design was adopted to determine whether using knowledge management is an effective method for service delivery through asking questions to the carefully selected sample. This is because it makes use of both qualitative and quantitative data to describe the state of affairs as they exist in the field.

#### **Target Population**

The study population was derived from staff at Moi University. The total target population was 298 participants from Moi University. The accessible population for this study was 190 administration staffs, 12 procurement staffs, 42 finance staffs, 34 library staffs, 10 quality management and 10 management staffs. The researcher selected the departments because there is need for procurement planning strategies in these sections each and every single day.

#### Sample Size and Sampling Techniques

This section covered how sample size was arrived at and the formula used to calculate. It also presented the sampling technique used to select the respondents who participated in the study.

#### Sample Size

The study used Yamane formula (n=N/1+Ne2), to calculate the sample size. Where:

n= the sample size

N =the size of population

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Therefore, the number the sample size for this study was 171 respondents.

#### **Sampling Procedures**

The study adopted stratified sampling technique in putting the study population into six strata comprising of administration, procurement, finance, library, quality management and management. Using the proportionate sampling the study distributed the samples size among the six strata. Simple random sampling was used to select respondents from each stratum because all of them had an equal chance of being chosen to participate in the study.

#### **Data Collection Instruments**

Data was collected using a questionnaire which had both open and closed-ended questions. The closed-ended questions confined the respondents to give their views strictly on the question asked while responses to the open-ended questions enabled the researcher to get a greater insight into the decisions and thinking of the respondents on the same. Questionnaires were used since the study was concerned with variables that could not be directly observed such as views, opinions, perceptions and feelings of the respondents (Silverman, 2016). Questionnaires were used because they are cheap and easier to administer and analyze. They also have the advantage of covering a large number of respondents easily and faster.

#### **Pilot Testing**

The pilot was carried out in University of Eldoret with similar structures and participants with Moi University. The scope of the pilot was necessitated by the fact that the participants are not supposed to take part in the main study.

The study used content validity. The content validity of the instrument was determined by the researcher discussing the items in the instrument with the supervisors, colleagues and other lecturers in the institution.

This study tested internal consistency reliability. The reliability of the instrument was tested through use of Crobanch Alpha value. That is, to establish the reliability of the questionnaire. Cronbach alpha coefficients were reported as an indication of the construct reliability of the measuring instruments.

#### **Data Processing and Analysis**

The collected data cleaning, coded, managed and analyzed with aid of SPSS software version 23. Data analysis was done using descriptive and inferential statistics. Descriptively data were analyzed using frequency, percentages, means and standard deviations. Inferentially data were analyzed using correlation and multiple regression models. The regression model to be used to test the hypotheses is shown below:

$$y = \alpha + \beta_1 x_1 + \varepsilon_i$$
.....Equation 2

y Represent performance of the procurement department

 $\alpha$  Represent constant.

 $\beta_1$ , represent the slope which represents the degree in which performance of the procurement department changes as the independent variable change by one-unit variables.

 $x_1$  represent evaluation prequalification

ε represents error term

Analyzed data were presented in form of frequency tables.

#### RESEARCH FINDINGS AND DISCUSSIONS

This section presents data analysis results, interpretations and discussions.

#### **Response Rate**

The study targeted to gather information from the 171 employees. However, out of the targeted number of respondents only 142 of them responded to the questionnaires translating to a response rate of 83%. This response rate concurs with Mugenda & Mugenda (2003) who stated that a rate of response of above 60% is good for analysis. The non-response could be due to their busy schedules at their place of work. The findings are presented in Table 3.

Table 3 Response Rate

Response Rate	Frequency	Percentage	
Returned	142	83	
Unreturned	29	17	
Total	171	100.0	

#### **Evaluation Prequalification**

The respondents were requested to indicate their level of agreement on various statements. A 5-point Likert scale was used where SD symbolized strongly disagree, D symbolized disagree, UD symbolized undecided, a symbolized agree and SA symbolized strongly agree. The results were as presented in Table 4.

Table 4 Evaluation Pregualification Results

Statements		SA	A	UD	D	SD	Mean	Std dev.
1. Financial standing evalution ensures that the supply can finance	F	53	63	17	3	6	4.08	0.979
the supply	%	37.3	44.4	11.9	2.1	4.2		
<b>2.</b> Evalution of supply technical ability ensures that supply is able to	F	50	26	48	12	6	3.72	1.156
provide technical requirements	%	35.2	18.3	33.8	8.5	4.2		
<b>3.</b> Management capability of supply is considered during evaluation	F	61	47	21	2	11	4.02	1.165
prequalification	%	42.9	33.1	14.8	1.4	7.7		
<b>4.</b> Health and safety of supplies is	F	36	64	15	18	9	3.7	1.165
considered during evaluation prequalification	%	25.4	45.1	10.6	12.7	6.3		
Valid N	142						3.88	

Table 4 shows that 116(81.7%) of the respondents agree while 9(6.3%) disagreed with the statement that financial standing evolution ensures that the supply can finance the supply. Further, the study findings showed in terms of means and standard deviation that the respondents agreed with the statement that financial standing evolution ensures that the supply can finance the supply (Mean, =4.08, Std. dev=0.979). Also, 76(53.5%) of the respondents agree while 18(12.7%) disagreed with the statement that Evolution of supply technical ability ensures that supply is able to provide technical requirements. Further the study findings showed in terms of means and standard deviation that the respondents agreed with the statement that evolution of supply technical ability ensures that supply is able to provide technical requirements (Mean, =3.72, Std. dev=1.156).

Further, 108(76.1%) of the respondents agree while 12(8.5%) disagreed with the statement that management capability of supply is considered during evaluation prequalification. Further the study findings showed in terms of means and standard deviation that the respondents agreed with the statement that management capability of supply is considered during evaluation prequalification (Mean=4.02, Std. dev=1.165). Finally, 104(73.2%) of the respondents agree while 27(19%) disagreed with the statement that Health and safety of supplies is considered during evaluation prequalification. Further the study findings showed in terms of means and standard deviation that the respondents agreed with the statement that health and safety of supplies is considered during evaluation prequalification (Mean =3.70, Std. dev=1.165).

The study result also shows that evaluation prequalification on performance of the procurement department at Moi University. This implies that financial standing evaluation ensures that the supply can finance the supply. Management capability of supply is considered during evaluation prequalification and health and safety of supplies is considered during evaluation prequalification. The study result concedes with Jain, Singh, Yadav and Mishra, (2014) who provides an overview that how supplier's initial strength influences its final work performance. The study result concurs with Lydia, (2017) who found out that; conformance is one of the influences of supplier commitment on procurement performance.

#### **Performance of the Procurement Department**

The respondents were requested to indicate their level of agreement on various statements relating to performance of the procurement department at Moi University. A 5-point Likert scale was used where SD symbolized strongly disagree, D symbolized disagree, UD symbolized undecided, a symbolized agree and SA symbolized strongly agree. The results were as presented in Table 5.

**Table 5 Performance of the Procurement Department** 

Statements			SA	A	UD	D	SD	Mean	Std
									dev.
<b>5.</b>	There is improved efficiency in	F	71	61	4	1	5	4.35	0.87
	procurement performance	%	50	42.9	2.8	0.7	2.1		
6.	The university can compete well in their service delivery and	F	66	66	2	7	5	4.22	0.96
	procurement performance with other universities	%	46.5	46.5	1.4	4.9	3.5		
7.	Our University has improved on the quality of goods & services	F	69	62	5	1	5	4.33	087
	delivered as compared to previous years	%	48.6	43.6	3.5	0.7	3.5		
<b>8.</b> Our University ensures that we have a minimum of three quotations for		F	63	33	28	13	5	3.96	1.15
	every item raised by different suppliers		44.4	23.2	19.7	9.2	3.5		
V	alid N 142							4.22	

Table 5 shows that 132(92.9%) of the respondents agree while 6(4.2%) disagreed with the statement that there is improved efficiency in procurement performance. Further the study findings showed in terms of means and standard deviation that the respondents agreed with the statement that there is improved efficiency in procurement performance (Mean, =4.35, Std. dev=0.870). Also, 132(92.9%) of the respondents agree while 12(8.5%) disagreed with the statement that the university can compete well in their service delivery and procurement performance with other universities. Further the study findings showed in terms of means and standard deviation that the respondents agreed with the statement that the University can compete well in their service delivery and procurement performance with other universities (Mean, =4.22, Std. dev=0.962).

Further, 131(92.2%) of the respondents agree while 6(4.2%) disagreed with the statement that our University has improved on the quality of goods & services delivered as compared to previous years. Further the study findings showed in terms of means and standard deviation that the respondents agreed with the statement that our University has improved on the quality of goods & services delivered as compared to previous years (Mean, =4.33, Std. dev=0.874). Finally, 99(69.7%) of the respondents agree while 18(12.7%) disagreed with the statement that Our University ensures that we have a minimum of three quotations for every item raised by different suppliers.

Further the study findings showed in terms of means and standard deviation that the respondents agreed with the statement that our University ensures that we have a minimum of three quotations for every item raised by different suppliers (Mean, =3.96, Std. dev=1.155). The study results also show that Prequalification evaluation supplier management practices on performance of the procurement department at Moi University. The study results concur with (van Aartsengel, &Kurtoglu, 2013) who asserts that Procurement strategy refers to a long-term plan to cost-effectively acquire the necessary supplies from a list of efficient vendors who will deliver quality goods on time, abiding by the purchasing terms.

#### **Inferential Statistics**

This section presented the results of correlation and regression analysis. The section was meant to achieve both general and specific objectives in establishing the relationships that exists between the study variables.

#### **Correlation Analysis**

Pearson correlation analysis was carried out to show the strength and direction of the correlation between selected Prequalification evaluation and procurement performance in Moi University. Table 6 present the results.

Table 6 Multiple Correlation Analysis Results

		Procurement performance	Prequalification evaluation
Procurement	Pearson Correlation	1	
performance	Sig. (2-tailed)		
Prequalification	Pearson Correlation	.579**	1
evaluation	Sig. (2-tailed)	0.000	

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

The study findings in Table 6 indicated that a strong, positive and statistically significant correlation between prequalification evaluation and procurement performance (r=0.579; p<0.01).

#### **Regression Coefficient**

The results on the regression coefficients of the variables are as indicated in Table 7.

Table 7 Regression Coefficients of the Study Variables

	Unsta	ındardized	Standardized		
	Coefficients		Coefficients	t	Sig.
	В	Std. Error	Beta	_	
(Constant)	.171	.139		1.229	.022
prequalification	.125	.033	.143	3.738	.000
evaluation					

From the coefficient findings provided in Table 7, it indicated that prequalification evaluation has a significant impact on the procurement performance with a coefficient value of 0.125 and a significance level of 0.000<0.05. Therefore, from the findings it can be concluded that procurement performance can be improved through proper prequalification evaluation.

Thus, the regression equation becomes;

$$Y = 0.171 + 0.125X_1...$$
Equation 3

#### **Hypotheses Testing**

The research null hypothesis  $\mathbf{H}_{01}$  stated that prequalification evaluation has no significant effect on procurement performance at Moi University. The regression results in Table 4.18 indicate that there is significant relationship between prequalification analysis and procurement performance with a beta coefficient of 0. 125 and significance of (p= 0.000). Therefore, the study rejected the null hypothesis and concluded that stated prequalification evaluation affects positively on procurement performance at Moi University These results concur with Lydia, (2017) who found out that; conformance is one of the influences of supplier commitment on procurement performance.

Table 8 Summary of Hypotheses Test Results

	Hypothesis	Coef.	p-	Decision	
			value		
$H_{01}$	Prequalification evaluation has no	.125	0.000	Null hypothesis	
	significant effect on procurement			Rejected	
	performance at Moi University.				

#### SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

This section summarizes the findings and makes conclusions and recommendations.

#### **Summary of the Findings**

The descriptive statistics showed that the financial standing evaluation ensures that the supply can finance the supply. Also, Evolution of supply technical ability ensures that supply is able to provide technical requirements. Further, Management capability of supply is considered during evaluation prequalification. Finally, Health and safety of supplies is considered during evaluation prequalification. The correlation results showed that there was a significant effect of prequalification evaluation on performance of the procurement department at Moi University. Financial standing evaluation ensures that the supply can finance the supply.

#### **Conclusions of the Study**

The study concluded that evaluation prequalification has a positive and a significant effect on performance of the procurement department. Financial standing evaluation ensures that the supply can finance the supply. Management capability of supply is considered during evaluation prequalification and health and safety of supplies is considered during evaluation prequalification.

#### **Recommendations of the Study**

This study therefore recommends that the key procurement actors should come up with viable ways of managing procurement process. Critical revitalization of procurement process is a requirement as it can assist in ensuring that organizations embrace modern technological ways and trends in handling and addressing procurement issues. The organization's management in conjunction with other stakeholders should embrace modern ways in planning and should as well come up with well-tailored training programs on practices of procurement.

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