FACTORS AFFECTING PROCUREMENT EFFICIENCY IN GOVERNMENT INSTITUTIONS IN KENYA: A CASE OF THE MINISTRY OF INTERIOR AND COORDINATION OF NATIONAL GOVERNMENT

DORCAS NYAWIRA WANJA

2014

This is a Research Report Submitted in Partial Fulfillment of The Award of a Diploma in Purchasing and Supplies, of The University of Nairobi.
DECLARATION

I hereby declare that this research project is my original work, and it has not in part or whole been submitted elsewhere for a diploma, degree or in any institution of higher learning for examination purposes.

DORCAS NYAWIRA WANJA
REG NO.L126/25910/2012

DATE...2/12/2014...SIGN...

This research proposal has been submitted for the approval of university supervisor

MS. JOSEPHINE NGUNJIRI DATE...SIGN...

Lecturer,
School of Continuing and Distance Education
University of Nairobi
PO Box 30197-00100

NAIROBI.
ABSTRACT

Procurement entity of any organization plays a very important role in the performance of the organization. However, in most Government institutions, procurement of goods and services has been negatively affected by various factors that lead to delays in procurement and procurement of sub-standard or unwanted goods and services. It is worth noting that for any organization to realize its objectives, the procurement entity must be effectively managed. This study aimed at investigating factors affecting procurement in Government institutions with specific reference to the Ministry of Interior and Coordination of National Government. The specific objectives were; to find out the effect of existing public procurement systems on procurement efficiency, to examine the effect of staff training on procurement efficiency, to find out the effect of Government policies on procurement efficiency, to examine the effect of top management support on procurement efficiency and to find out the effect of resource allocation and planning on procurement efficiency. The study adopted a descriptive research design and a stratified sampling method was used to arrive at a sample size of 150 employees out of the target population of 600 employees. The research used primary data collected using self-administered questionnaires with both open and close ended questions. The collected data was then analyzed and this involved data editing, coding, classification and tabulation. From the research findings, it was concluded that the procurement system in the Ministry was vulnerable to attacks and it was possible for some individuals to manipulate data without being traced since the system audit trail was not functioning properly. Poor staff training and lack of prompt support from the top management were also concluded to be factors that were affecting procurement efficiency. Though the Ministry developed procurement plans every financial year, it was found that the plans were never adhered to and that resources estimation and project planning were poorly done resulting to cases of stalled projects due to lack of funds. The research recommended use of a fully automated procurement system (procure–to–pay) with enhanced security features to avoid unauthorized access. The system should also have a resource planning module where available resources are mapped to various approved projects. Another recommendation was regular training of staff to ensure enhanced competency. For the unsupportive members of the top management, an online reporting system to relevant authorities was recommended.