

**FACTORS INFLUENCING TENDERING PROCESS IN THE  
IMPLEMENTATION OF ROAD CONSTRUCTION PROJECTS:  
A CASE OF MAU-NAROK –KISIRIRI ROAD PROJECT BY  
KENYA NATIONAL HIGHWAY AUTHORITY, NAROK  
COUNTY, KENYA**

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**A Research Project Report Submitted in Partial Fulfillment of the Requirement for the  
Award of Degree Masters of Arts in Project planning and Management of the University of  
Nairobi**

**2019**

## DECLARATION

This is my original Research Project Report and has not been presented for the award of any Degree in any other University.

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This Research Project Report has been submitted for examination with my approval as the University of Nairobi Supervisor

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## **DEDICATION**

I dedicate this work to my parents Mr and Mrs Blastus Obbayi who inspired me to work hard to achieve my academic potential. To my beloved husband, Stephen Shumila for his continual support throughout the course in my University learning.

## **ACKNOWLEDGEMENT**

My special thanks goes to my supervisor Dr. Lydia Wambugu who is tirelessly guiding me with professional advice as well as encouragement during this period. I hereby take this opportunity to acknowledge with gratitude the University of Nairobi for providing me with the opportunity to pursue the Degree of Masters in Project Planning and Management. I also wish to thank and acknowledge all the lecturers and staff in the department of Open Learning, School of Open and Distance e-Learning – OdeL Campus. I am also highly indebted to my family and classmates for their encouragement and shared intellectual experiences during the time of writing this proposal.

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## **LIST OF ABBREVIATIONS AND ACRONYMS**

<b>KENHA</b>	Kenya National Highways Authority
<b>GoK</b>	Government of Kenya
<b>ICT</b>	Information Communications Technology
<b>NPD</b>	New Product Development
<b>PPOA</b>	Public Procurement Oversight Authority
<b>PPDR</b>	Public Procurement Disposal Regulation

## ABSTRACT

Public procurement often constitutes the largest domestic market in developing countries. Depending on how it is managed, the public procurement system can thus contribute to the economic development of these countries; it is because of this that the study aimed at determining Factors Influencing Tendering Process In The Implementation Of Road Construction Projects: A Case Of Mau-Narok –Kisiriri Road Project By Kenya National Highway Authority, Narok County, Kenya under the following objectives to establish the extent to which tendering duration influences tendering process, examine the extent to which ethical practices influences tendering process, to examine the extent to which records management influences tendering process and determine the extent to which ICT usages in tendering influences tendering Process in KENHA. The study was supported in both the theoretical and conceptual frameworks where the relationship between the variables was displayed. The study employed descriptive survey research design that was then subjected to a target population of 114, the sample size was then derived from the target population using census sampling methods that yielded still 114 member group of sample size. An analysis of how ethical practices influence tendering processes in Kenya was done and the findings revealed that 14(11%) and 38(27%) of the respondents strongly agree and agree that withdrawal of bids can be used to favor certain preferred entities or individuals; there was a significant difference between respondents who agreed, 56(44%) and those who disagreed at 20(16%) on the tendering process at KENHA being transparent with information equally available to all interested bidders; The findings indicate that most of the respondents at 40(31%) are undecided on whether use of IT in the tendering process enables KENHA to save on time and money in terms of operation costs- in disagreement were 17(13%) of the respondents who cited that the statement was a policy issue with set durations of tendering process. The study concluded KENHA administrations invest heavily in ICT and should keep the trading community informed about their investment objectives. An effective procurement begins well before a request for tenders is released. The procurement life cycle begins with strategic planning and continues through procurement and on into the planned obsolescence of both hardware and software. The study recommends that Equal opportunity when tendering is whereby any type of discrimination demoralizes interest in open tendering process and undermines any push to accomplish esteem for cash through open competition thus no officer should oppress any potential bidder based upon sexual orientation, ethnicity, religious affiliation, physical incapacity or gathering affiliation in the open tendering process.

# CHAPTER ONE

## INTRODUCTION

### 1.0 Background of the Study

The Public Procurement System in Kenya has evolved from a crude system with no regulations to an orderly legally regulated procurement system. The Government's Procurement system was originally contained in the Supplies Manual of 1978, which was supplemented by circulars that were issued from time to time by the Treasury. The Director of Government Supply Services was responsible for ensuring the proper observance of the provisions of the Manual. The Manual created various tender boards for adjudication of tenders and their awards.

Public procurement often constitutes the largest domestic market in developing countries. Depending on how it is managed, the public procurement system can thus contribute to the economic development of these countries. Public procurement is the principal means through which governments meet developmental needs such as the provision of physical infrastructure. Again, many governments use public procurement to support the development of domestic industries, overcome regional economic imbalances, (PPOA, 2012). The public procurement tendering system in Kenya has evolved from a crude system with no regulations to an orderly legally regulated Procurement System. The Government's Procurement System was originally contained in the Supplies Manual of 1978, which was supplemented by circulars that were issued from time to time by the Treasury (GOK, 2010). The Director of Government Supply Services was responsible for ensuring the proper observance of the provisions of the Manual. The Manual created various tender boards for adjudication of tenders and their awards. The Authority shall issue guidelines on the format of procurement documents to be adopted for approvals and the documentation of the procurement procedure (PPOA, 2012).

The procurement rules and regulations were not strict and many of the norms were not followed, the Supplies Manual did not cover procurement of works, the dispute settlement mechanisms relating to the award procedures as set out in the Manual were weak and unreliable for ensuring fairness and transparency, Records of procurement transactions in many cases were found to be inaccurate or incomplete or absent, which led to suspicions of dishonest dealings at the tender

boards.(The public procurement and disposal act 2005). The systems had other institutional weaknesses that not only undermined its capacity for carrying out their mandates effectively but also led to a Public perception that the Public sector was not getting maximum value for money spent on procurement. In view of the above shortcomings it was found necessary to have a law to govern the Procurement tendering system in the public sector and to establish the necessary institutions to ensure that all procurement entities observe the provisions of the law for the purpose of attaining the objectives of an open tender system in the sector, (Public Procurement And Disposal Regulations, 2006).

The Public Procurement and Disposal Act, 2005 was enacted and it became operational on 1st January, 2007 with the Gazettement of the Public Procurement and Disposal Regulations, 2006 The Public Procurement and Disposal Act, 2005 created the Public Procurement Oversight Authority (PPOA), the Public Procurement Advisory Board (PPAB) and the continuance of the Public Procurement Complaints. In the past the quality of service delivery in Public entities was wanting; according to the World Bank Group's (2007) country assessment report, the quality of service in the Kenya Public Sector was very low prior to 2003 due to inadequate accountability and responsibility, as well as poor governance which led to decline in productivity and an increase in poverty (Public Procurement And Disposal Act 2005). Some public servants would also not attend to their duties diligently and it was common to find members of the public waiting to be served while there was no one in the office. The poor service delivery was also due to unclear direction and non-existent strategic plans. Where plans were present, there was no effective implementation and monitoring system.

According to a report by Public Procurement Oversight Authority, the lack of accountability was caused by an organizational culture characterized by negative values among the staff. There was relatively low discipline in management (PPOA, 2012). Open tendering refers to a bidding process that is open to all qualified bidders and where the sealed bids are open in public for scrutiny and are chosen on the basis of price and quality. It is also referred to as competitive tender or public tender. It is the preferred competitive public procurement method used for acquiring goods, services and infrastructure work. It is executed in accordance with established procedures set out in the procurement guidelines and detailed in the standard bidding document.

Procurement notices used to call for bids for these requirements are called Invitation for Bids or Invitation to Tender. Open tendering is covered largely in Part V of the Public Procurement and Disposal Act, 2005 (PPDA). The fundamental requirements of open tendering are that they should be open to all qualified interested bidders, be advertised locally and internationally when required, have objective qualification procedures, have neutral and clear technical specifications, clear objective evaluation criteria and be awarded to the least cost provider without contract negotiations.

Public procurement and disposal act, 2005 (PPDA) defines an act of parliament whose main purpose is to establish procedures for efficient public procurement and for the disposal of unserviceable, obsolete or surplus stores, assets and equipment by public entities and to provide for other related matters. It was enacted by act of parliament and its main objectives are to maximize economy and efficiency, to promote competition and ensure that competitors are treated fairly, to promote the integrity and fairness of those procedures, to increase transparency and accountability in those procedures, increase public confidence in those procedures and facilitate the promotion of local industry and economy development Public procurement oversight authority (PPOA). It's established as a corporate body and has the powers to expedient for the performance of its functions. The function of the authority includes ensuring that procurement procedures established under this act are complied with, to perform duties such other functions and duties as are provided in the act, to initiate public procurement policy and propose amendments to this act to the regulations and assist in the implementation and operation of the public procurement. To monitor the public procurement system and reports on the overall function of it in accordance with section 20(3) (b) and present to the minister such other reports and recommendations for improvements as the Director-General considers advisable.

The East African Portland Cement Company started as a trading company importing cement mainly from England for early construction work in East Africa. It was formed by Blue Circle Industries United Kingdom. The name Portland was given due to the resemblance in colour of set cement to the Portland stone that was mined on the Isle of Portland in Dorset, England. It was not until February 1933 that the Company was incorporated in Kenya with the first factory in Nairobi's Industrial Area. The Company had one cement mill (Mill No. 2) and used to import clinker from India. The production capacity was about 60,000 tonnes of cement.

December 1956, construction of the Athi River facility started. The factory was commissioned in 1958 and consisted of a Rotary Kiln (Wet), a big cement mill (Cement Mill 1 & 3) which significantly increased production capacity to 120,000 tonnes per annum. In the last few years, KENHA has greatly expanded its production capacity. With the introduction of Mill No. 5 and the embrace of Coal energy, the Company can presently produce over 1.3 million tonnes of cement per annum at reduced cost. Furthermore, the Company's recently implemented ERP system was recognized as the best for 2011. The Company now has fully automated business processes which mean complex paperwork is now largely a thing of the past; from the offices of top Management to the Factory floor. With these and other innovations, KENHA is ready for the future today (KENHA Bulletin, 2016).

## **1.2 Statement of the Problem**

The Government of Kenya in 2003 tried to implement reforms to address inefficiency in the use of Public resources and weak institutions of governance. The reforms included the development of anti-corruption strategies to facilitate the fight against corruption and the enactment of the Public Officer Ethics Act 2003, the Ant-Corruption and Economic Crime Act, the Financial Management Act 2004, and the Public Procurement and Disposal Act 2005. The aim was to make the procurement process more transparent, ensure accountability and reduce wastage of public resources among others. Currently, there are weak oversight institutions, lack of transparency, poor linkages between procurements and expenditures, delays and inefficiencies, poor records management, bureaucracy, rampant corruption, Political interests. Bottom-up approach to the development of institutional mechanisms for holding to account the domestic implementation of international regulatory decision-making is also missing hence the need to investigate on the factors that influencing the Tendering processes in the public sector.

The overall research problem addressed in this study is that despite an increase in knowledge in the tendering processes in public entities according to Public procurement and Disposal Act (2005), very little has been done to analyze the factors influencing the tendering process in Public sector in terms of Tribalism, politics, nepotism, delays, inefficient, fairness, competitiveness, accessibility, transparency, openness, integrity and profitability.

### **1.3 Objectives of the Study**

The study is guided by the following objectives

- i) To establish the extent to which tendering duration influences tendering Kenya National Highways Authority
- ii) To examine the extent to which ethical practices influences tendering Process in Kenya National Highways Authority
- iii) To examine the extent to which records management influences tendering Process in Kenya National Highways Authority
- iv) To determine the extent to which ICT usages in tendering influences tendering Process in Kenya National Highways Authority

### **1.4 Research Questions**

The study seeks to answer the following questions:-

- i) To what extent does duration taken in tendering influence the tendering Process at Kenya National Highway Authority?
- ii) Do ethical practices influence the tendering Process at Kenya National Highway Authority?
- iii) What is the extent to which records management influence the tendering Process at Kenya National Highway Authority?
- iv) Does ICT usage in tendering influence the tendering Process at Kenya National Highway Authority?

### **1.5 Significance of the Study**

The study was deemed to hopefully benefit the management in Kenya National Highway Authority, and the GOK as it would provide part of the evidence to assist in the revision of Procurement policies in favor of Procurement Profession regarding the tendering processes in Public Sector. The research may also add value to the body of knowledge and understanding of



the tendering process in Public entities. This was to be beneficial to researchers who may want to research more in this area.

### **1.6 Assumptions of the Study**

The study assumed that respondents would give factual information when filling out the questionnaire as they were expected to be honest when answering questions; all respondents given the questionnaire were literate and able to read, understand, and answer the questions on the questionnaire; and that respondents were willing to participate in the study by filling out questionnaires and giving information that would yield answers sought in the problem statement.

### **1.7 Limitations of the Study**

Research assistants were acquired to help distribute the questionnaires and collect them hence overcoming the challenge of time. A collection of data was done in the various construction project sites within Machakos County area, and outside hence the funds and transport resource came in as a limitation. A portion of the respondents may have interpreted it as an aggressive knowledge gathering and might not have prepared to give much information as expected. The student utilized the University of Nairobi letter of authorization to persuade them that the finding would be utilized for an academic motive and would therefore be kept secret. Despite there being a number of public institutions, the study limited itself to KENHA as it qualified most of the geographical location requirements of the researcher including its proximity to Nairobi County, it being in Machakos County.

### **1.8 Delimitation of the Study**

The study was carried out in Narok which falls under Narok County and its nearby environs. The study touched primarily on Kenya National Highway Authority (KENHA), the agency that constructs roads in Kenya and most parts of East African country. The study established itself to utilize both quantitative and qualitative research design. The feeling of the researcher was that these two designs would best illustrate thoroughly the variables involved in this study hence would be able to give a substantial answer to the research question of this study.

### **1.10 Organization of the Study**

The study was sorted out in five chapters. The first chapter gave the foundation or background behind the study, the statement of the problem in question, the purpose of the study, objectives of the study, research questions, and the significance of the study, scope of the study, assumption of the study, delimitation and finally the first chapter is wrapped-up definition of important terms. The second chapter covered an extensive research on the literature review and Chapter three covered the methodology that was used in the study. Data analysis was covered in chapter four while chapter five spread an outline on the summary of findings, discussions, conclusions and finally the recommendation.

## **1.9 Definition of Significant Terms**

The following terms defined as concepts in the context of the study were used to define the variables therein.

<b>ICT Use</b>	The means through which the use of computer as well as computer software is utilized in Tendering Process.
<b>Ethical Practices</b>	Refers to a way of favoritism in the procedure of tendering process brought about by nepotism, political interference and tribalism which denies a particular bidder an opportunity or chance to get the tender.
<b>Records Management</b>	Means the keeping and preserving of accurate data involved in tendering process in a way that is secure and easy to access in future for reference use.
<b>Tendering Process Steps</b>	This refers to the frame of time taken to manage the tendering to its rational conclusion.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter presents the principal ideas that are important to comprehend and utilization of tendering procedure out in the public organization and it additionally expects to give an overview of key components and database in the field of open tendering. This idea incorporates the meaning of open tendering as well as public entities. Additionally, this chapter examines the adequacy and difficulties confronted by public entities while utilizing open tendering as a technique to get their merchandise and services. The review plans to give a point by point review of the fundamental tendering process and elements influencing the effectiveness of offering the tendering procedure in general public sector.

#### **2.2 Ethical Practices and Tendering Process in Kenya**

So as to accomplish the value for cash and to adequately add to the efficient service industry, the public tendering process should be able to comply with the required standards and hence embrace the strict ethical practices stipulated. It must be adhered to in order to avoid any leakages, challenges, corruptions and misfortune arising from vendor favoritism. The just method for tending to these worries as indicated by the General Acquisition and Disposal Manual,(GPDM) chapter two which highlights the applicable morals in acquisition is by adopting a solid feeling of morals or in other words strong ethical consideration. These ethics incorporate avoidance of collusion ;no procurement entity, public officer, merchant or individual may intrigue with some other individual to make any proposed cost higher than would somehow have been the situation or to have a vendor control from submitting delicate or citation with as particular cost or indicated incorporation or prohibition. This offense is culpable and whoever is discovered both the officer and the vendor might be disqualified from going into an agreement from the procurement, or if a contact has already been entered into with either person, the agreement might be voidable at the alternative of the procurement entity band the vendor or individual might be suspended from taking an interest in any future procurement decision or activity (Masime, (2007).

To avoid conflict of interest ;a man has conflict of interest regarding a procurement if the individual or a relative of the individual looks for ,or has an immediate or aberrant with a vendor who looks for the agreement or who needs to apply for a particular tender. It is in this manner fitting for all parties required to evade conflict of interest so as the acquisition might be granted decently and to the right bidder, (GPDM).

Shirking of every single degenerate practice in tendering process ;it's an immediate break of the obtainment law to partake in any degenerate practices and the punishments if found are extreme according to article 40 of the Public Procurement and Disposal Law which expresses that no individual ,specialist or worker should be included in any degenerate practice in any acquirement procedures. On the off chance that one is found the individual might be disqualified from going into a contract or if a contract has as of now been entered then the contract might be voidable at the alternative of the obtaining substance.

To avoid any fraudulent practices; any sort of fraudulent practices undermine the goal of significant worth for cash which is basic to accomplishing the productive conveyance of benefit. Fraudulent exercises are so regular in the tendering process and it influences the productivity and adequacy of the public substance and in this way ethics must be connected in order to control these practices. Evasion of block and undue deferral in tendering process; no individual may impede or frustrate a man completing an obligation or capacity under the procurement law or practicing a power under the law or purposely lie or deceive a man completing an obligation or capacity under the public procurement law. So the officers tend to defer the tendering process purposely so and this prompts degenerate practices since a vendor can have the capacity to approach them and influence them so that they can hustle up the process. Stock Control is no longer considered an administrative work performed autonomously by untrained people inside an administrative office (National Institute of Governmental Purchasing, 2001). Qualified staff that is capable and gifted will help the association to accomplish its objectives and targets by being productive and powerful when doing their different capacities. For an association to succeed, capability is consequently a pre-imperative and must be coordinated with occupation necessity, consequently the need to contract and create aspiring faculty. In the event that staff required in

stock control is not qualified and able, at that point there will be incapability in stock Management. Bailey and Farmer (1982) illustrate that for Stock control capacity to accomplish a predominant execution, it's important to enroll, prepare and create work force with the limit and inspiration to improve work. Carter and cost (1993) show that preparation of staff is imperative assuming full utilize is to be made of their capacities and gifts. Coe (1989) says that it's critical to guarantee that adequate number of the fitting bore is accessible to the association in quest for its goals. Clumsy representatives can render stock control for all intents and purposes ineffectual.

Focusing on integration of inventory management system, to guarantee educated judgments respondents ought to be fully learned about the inventory capacity and its execution, both prior and then afterward the usage. Inventory and store chiefs are generally the most proficient with regards to the key execution measurements what's more, the effect of inventory control. The discoveries propose that the attractive acknowledgment of the inventory system by the workers can be added to a group of stars of hierarchical, mechanical, and inventory vendor related elements (Birks et al., 2001). In particular, vendor support was found to impact representative acknowledgment of inventory systems through its roundabout impact in setting up solidness of the system and planning of modified training program for the gathering workers in close collaboration with the inventory and stores director. Contemplate distinguishes internal incorporation impact on inventory was it empowers association of representatives with a solitary procedure furthermore bring about gambling substantial speculations of time and cash, without total sureness that its maximum capacity was accomplished inevitably. Different studies discovered that it improves association capacity to execute "in the nick of time" procedure and has challenges in getting aggregate duty despite the fact that it empowers better data stream amongst purchasers and supplier,(Gifford, (2003). Other refer to troubles in securing adequate spending designations and workers absence of adequate learning prompts extra cost in training.

Staff skills is in this way controlled by adjusting technique thought, for example, wellness for utilize, execution, wellbeing and unwavering quality, with monetary elements including cost and accessibility. In drafting staff skills detail, the point ought to dependably be the base proclamation of ideal (not the most elevated) staff skills so as not to increment the cost

superfluously, confine procedures of manufacture nor limit the utilization of conceivable choices. Staff skills are the aftereffect of a helpful organization between the suppliers of project development services (designing services and specialized reports) furthermore, those in charge of Staff skills Assurance. Those giving project development services must execute Staff skills Control to guarantee that products and services meet then again exceed desires of staff skills. Those in charge of Staff skills Assurance must survey or audit these products and services to guarantee the Staff skills Control endeavors are accomplishing fancied results. The general result of these endeavors is nonstop change in the progressing journey for the most astounding staff skills building products and specialized reports with the most effective utilization of resources Gifford (2003).

As indicated by Scherer (2000), staff skills influence delivering of business in both industrial and customer's organizations. Research states that high staff skills have a positive effect by fundamentally expanding convenience of business through bringing down working expenses and enhancing pieces of the overall industry. However whatever staff skills approach is picked it just can't be taken fuse esteem and executed, organization wide as an off the shelf speedy settle answer for resolve issues. External selection of providers is included in overseeing issues for staff skills. Selection prepare has been the center of numerous scholastics and obtaining authority size 1960. Obtaining experts are pursuing different practices to enhance provider connections keeping in mind the end goal to guarantee staff skills. These practices incorporate investment in providers in item outline and data sharing and rewards. Likewise a few organizations utilize certification as a key practice in evaluating and selecting providers (Scherer, 2000).

Harold et al (2006) proposes that global inventory administration has quickly changed technology and lessened product lifecycles. Some of these components that have exchange organizations to search for new systems for growing new products are cost diminishment, high staff aptitudes product and all the more demanding end clients. New product development (NPD) handle incorporates all exercises from advancement of ideas or idea of product to the acknowledgment of product amid production organize and presentation into the commercial center. A portion of the NPD forms stages till the launching of product are arranging, product design and advancement and process approval. The significance of NPD is recognized in this

way it's not astonishing that a few works recommends that if new product is the lifeblood of an organization's new products at that point product advancement is the lifeblood of a Company's new product.

As per Hannagan (2005) Staff skills is the most critical item trait. It identifies with the historical rejection rate amid a timeframe of the items conveyed be the provider. Rejection is because of deviations from specifications in outline, manufacturing, packaging of items and this must be identified amid approaching review or manufacturing in customer locations. It considers deviations from indicated amounts or delivery dates of the customer arrange. A vital characteristic of the item which influences bottom line is cost. They include manufacturing cost, packaging cost, delivery cost and other reused non-confirming item conveyed to the maker. Improvement time alludes to the competence of provider to plan, create, and dispatch items inside the concurred time frame as indicated by the items specifications. It is a critical ascribe to survey provider as deferrals in advancement organize that influences end reaction amid propelling period.

### **2.3 Steps in Tendering Process and Tendering Process in Kenya**

There are a few main steps that are for the most part utilized as a part of the tendering process (Creswel, 1999). In the first place, Tendering process is resolved: the organization asking for the tender will decide the sort of tender that will be utilized, and in addition what will be included in the tender process. Second, ask for tender is readied: the demand for tender layouts what is required, the authoritative necessities and how you ought to respond. Thirdly, tenders are invited: the esteem, multifaceted nature what's more, business class decides how tenders are invited. Fourthly, suppliers respond: you ought to first get all relevant documentation. At this stage it's essential to go to any pre tender instructions sessions being led, illuminate any vulnerabilities, arrange your reaction, get ready your reaction and present your reaction in the right organization, on time and at the right area (Fadhil and Hong, 2002). Different stages are fifth stage, this is the phase of assessment and determination: every tender will be checked for consistence, and if consistent, then assessed against the criteria indicated in the tender documentation. The tender that offers best esteem for cash will win the business. Six, includes notice and questioning: when



an agreement has been granted, the effective tenderer will be prompted in composing (of the result. Unsuccessful tenderer are likewise prompted and offered a questioning meeting (Dozziet al., 1996). At last, contracts set up and oversaw: by and large a formal assertion will be required between the fruitful tenderer and the relevant office. This study went for exploring components that makes this process ineffectual.

## **2.4 Management of Records and Tendering Process in Kenya**

Numerous organizations have no systems set up to oversee or record electronic documents of those that do an extensive number have no policies concerning the recording also, capacity of email interchanges. Firms required in lawful question are regularly dependent on past interchanges, which today are all electronic. Good electronic record keeping could keep firms from claiming on their business insurance policies by maintaining a strategic distance from court cases in any case, (PPOA, 2005).

As indicated by the PPDA 2005 area 45(1), it states what ought to be kept and maintained in tendering process .Procurement substance might keep records for each procurement movement for no less than six years after the subsequent contract was gone into on the other hand, if no agreement came about after the procurement procedures were ended. The records for procurement must incorporate the portrayal of the products, works or administrations being secured, if a system other than open tendering was utilized, the purposes behind doing as such, duplicate of the advertisement as it showed up in the bulletin or production, the name and address of the individual denoting the submission, the cost and the synopsis of different terms and states of the delicate, proposal or citation, a synopsis of the evaluation and correlation of tenders, proposals or citations, including the evaluation criteria utilized, if the procurement procedures were ended without bringing about an agreement ,the explanation of why they were ended, a duplicate of each archive the demonstration requires the getting substance to get ready and such other data on the other hand documents as are prescribed, (PPDL).

Keeping the above record are indispensable on the grounds that after an agreement has been granted or the procurement procedures have been terminated, the procurement element should on ask for, make the records accessible for the procurement accessible to a man who presented the delicate, proposition or quotation or, if coordinate procurement was utilized, a individual with

whom the procurement substance was arranging. The procurement substance may charge an expense for making the records accessible however the expense might not surpass the expenses of making the records accessible. Efficient record administration is premise of good governance, there exists a cozy relationship between great governance and records keeping. All around oversaw records are fundamental devices for good governance. They encourage the accomplishment of straightforwardness and accountability out in the open offering as surely in every other kind of administration .when government records are effortlessly accessible to individuals from the general population now and again when they need to confirm activities and exercises of open hirelings, a relationship in light of trust between the administration furthermore, administered is enormously fortified. In such an environment, confirmation will be made accessible at whatever point required. The general population administration will then appreciate certainty and the support of its nationals, (PPOA, 2012).

Sadly the state of record administration has frequently been unsatisfactory, particularly in developing countries. The results have been intense: doubt, suspicion or more all absence of straightforwardness and responsibility. Prove plainly demonstrates that numerous developing countries have extreme record administration issues. Therefore adequacy out in the open organization is straightforwardly undermined in various ways: the organization of justice is enormously traded off and government income can't be completely gathered on the grounds that the records on which their calculations must be based are not sufficiently exhaustive or were never made .Moreover in a situation in which records are inadequately developing countries, countries that are unendingly begging. Tendering processes are not special case to this issue Susan and Michael, (2000).

In numerous open records in Kenya, as in numerous developing nations have been so inadequately dealt with that they have straightforwardly undermined any endeavors to accomplish great administration. Great administration can't be accomplished in an environment in which records are consistently absent or lost. Consistently open officers in Kenya as surely in other nations should give administrations to the administrations, consistently and day they are settling on choices that identify with the arrangement of the administrations. They must need

depend on records to settle on these choices. At the point when the records are disordered, when some of these records are absent or lost, this is probably going to prompt to poor choices, and now and then deferred choices .at the end of the day, citizens will be denied quality choices. They will be denied productive administrations by the very individuals whose expenses they are paying. Government can't accomplish great administration without proficient record keeping frameworks and administrations; relationship between effective records keeping what's more, organization of equity as everyone knows, effective court administrations give one of the most grounded establishments for good administration. Thus a productive court framework should of need be founded on successful record keeping frameworks and administrations. Appropriate record administration is vital for compelling offering. Poor record administration makes perplexity and issues in future referencing.

Stored material goes about as a buffer between the requests of generation exercises and buying or between phases of creation. Supplies can't generally be bought or created as required; lead time is an ordinary postponement in getting bought merchandise, and set up International Journal of Human Resource and Procurement Vol.1, Issue 3, 2013 times are often required to get offices prepared to create a wanted thing. In spite of the fact that a feeling of keeping up an inventory of supplies is evident, it is not self-evident the amount it will cost if supplies are not accessible when required, or which methods to take after for recording, checking and issuing material. (Generation Systems by James L. Riggs) Inventory, in a generation setting, is a sit out of gear asset. The asset can be vitalize or lifeless. Most generally it is creation material: apparatuses, bought parts, raw materials office supplies, items in process et cetera. The asset serves as a protection arrangement against unexpected breakdowns, delays and other unsettling influences that would disturb progressing generation Jessop and Morrison (1994).

Insurance is not free. The idle asset can be harmed or get to be obsolete before it fills any need. The undertaking is again to secure and financial harmony between the cost of misfortune and the cost of anticipating it. The most imperative capacity of inventories is protection. A save of material can be tapped at whatever point a deferral in a first stage undermines to shorten operations in the taking after stage. Material supports are utilized to pad the generation procedure

from the vulnerability of material conveyances, to decouple dynamic phases of item improvement from disruption in prior stages and gives an enduring supply of wrapped up yield for the temperamental requests of clients.

Gukara (1997) found what a company ought to acknowledge is that the position of the contender is there with a specific end goal to ensure its present position and increase sales through guarded and hostile activities. Kottler and Armstrong (2006) states that to be effective in the market, a company must give more prominent customer value and fulfillment that its rivals do. The center ideas of aggressive and corporate strategy give the establishment to analyzing any aggressive circumstance. Today, that frequently implies inventory administration crosswise over outskirts. Firms contend crosswise over geographic areas with national, regional, and worldwide procedures. In the meantime, nations what's more, districts must contend with different areas to give a hospitable business environment. For both organizations and nations, addressing inventory management across locations requires two new sets of ideas.

The first concerns the part of location in inventory administration. As firms contend crosswise over outskirts, they pick up the capacity to find exercises anyplace. How location influences competitive favorable position is key to firms additionally urgent to guide strategy for monetary improvement. The second new issue raised by international inventory administration is the way firms can increase competitive favorable position by spreading and planning exercises in the esteem chain crosswise over fringes in regional or global networks. The esteem chain is being spread crosswise over fringes as at no other time as barriers to exchange and speculation have fallen and new nations have given savvy locations for outsourcing Kottler and Armstrong (2006).

McCarthy (1993), states that the means in analyzing competitors are recognizing potential competitors, envision inventory administration and finding of appropriate, upper hand in analyzing competitors it is helpful to beginning broadly and from the view purpose of target client. Companies may offer entirely extraordinary items to meet similar needs yet they are competitors if clients consider them to be putting forth close substitutes. Envision inventory administration regardless of the possibility that no particular inventory administration can be distinguishes obtaining managers must consider to what extent it may take for potential competitors to show up and when they may do. A fruitful procedure pulls in other people who

are enthusiastic to hop for a share of benefit. Inventory administration in the commercial center is useful for consumers and useful for business. Inventory administration from a wide range of companies and people through free endeavor and open markets is the premise of the U.S. economy.

At the point when firms contend with each other, consumers get the most ideal costs, amount, and nature of merchandise and enterprises. Antitrust laws urge organizations to contend so that both consumers and organizations advantage. One imperative advantage of inventory administration is a help to advancement. Inventory administration among organizations can goad the innovation of new or better items, or more proficient processes. Firms may race to be the first to market another or diverse innovation. Advancement likewise benefits consumers with new and better items, drives monetary development and expands standards of living. Items that are typical today once were innovative leaps forward: autos, planes, telephones, TVs, the personal PC, and modern medicines all show how advancement can change your life, and increment prosperity, McCarthy (1993).

## **2.5 Information Technology and Tendering Process in Kenya**

In the previous decade or so, innovation has changed the world drastically and this may have given opportunities to organizations to build up their execution in Kenya. Innovation depicts the utilization of electronic means and stages to direct the organization's businesses. The advent of the internet has extraordinarily expanded the capacity of the organizations to direct their business quicker, more precisely over a wide scope of time and this decreased the cost of the capacity of organization and personal offerings to the organizational customers, (Koigi N, 2011).

Burnet (2012) suggests that all together, for a business to be all the more successfully and ERP should be coordinated in all business work planning and processing with a specific end goal to maintain a strategic distance from information intrusion and hence settle on better business choices. Be that as it may, before ERP is presented, a dependable database should be produced that contains documents among others. They propose that provider score cards be kept and chose electronically which incorporates an assortment of components, for example, the investigation inquisitive of thing status, observing of due date and examination of a provider execution, EDI which is the electronic exchange of procurement records amongst purchaser and dealer can

abbreviate arrange process duration. Actually, they recognize situations for discharging materials arranged secured under terms of the agreement and obtaining work force and didn't really involve until the contract is restored.

They additionally recognize the significance of IT to getting and inspection and notes that the in-cooperation of accepting and inspection lessens that until all in-bond processing is finished for instance a standardized identification merchant. This standardized tag innovation ought to make the accepting a setting provider conveying in stock. Gordon Vause, (2006) notes that in-month-to-month recording framework. The utilization of PC yield gives a helpful reference record recognizes to them; it costs the request estimate and the quantity of units close by. The yield itself ought to constitute the buy arrangement and ought to be sent to the merchant then again calculating supplies those. Oxford concentrate on (2006) has identified the arrangement creation mystery of empirical investigations of 1980's which is in spite of what was normal, did not locate a positive relationship between the generous speculations to IT and profitability parts, the notes that the impact of IT on business performance and creation administration not be immediate and universal, rather. It must be rely on upon the capacity of the organization to do administrations of schedules and inside changed using this innovation.

The impact of IT investment on some demonstrates of acquirement execution is risked through the association with suppliers. The impacts of IT on buying execution depends at drift in part, on the limit of the obtaining capacity to these innovations to actualize and create buying and supply practices, for example, joint effort association with suppliers. IT executes these practices in a more proficient and powerful way. Rapid improvement ICT joined by the joining of telecommunication broadcasting and compiler advancements in making new give and administrations and additionally another method for leaving excitement and amid business. In the meantime more commercial, social as expert openings are being makes through the might opportunity gave by ICT. As a result, the world to hidden a fundamental preparing capacity as the businesses society that denoted the twentieth century demonstrating offers route to the data society of the 21st Century. The new society guarantees a fundamental change in all parts of our contracts, learning spread, social interaction monetary and business rehearses and political engagement Barnett (2005).

Barnet (2005), IT has various applications in regard to procurement. E-procurement, (sometimes known as applies exchanged is the business to business or business to contracts or business to government, purchase exchanged of tender, work as service through the interest and additionally other data and networking systems. For example, EDI what's more, ERP, ordinarily e-procurement web sites permit qualified and resident use to work for buyers or sellers of products and enterprises? Depending on imitated and complete, progressing tenders qualify temporary worker for volume rebates or special offer. E-procurement, of their makes it possible to automatic investor mode effectively, reduce processing affect overhead and improve payment cycles. E-Procurement surface may make possible to the contractual worker features for temporary worker management and complete activities, (Havey, (2010).

As per Chaffy 2004, says making an effective technology infrastructure is crucial. An effective technology infrastructure is essential in all organizations, infrastructure specifically full of feeling the nature of administration experienced by inner and outer clients of the framework regarding pace and responsiveness to their solicitations for data. The technology infrastructure alludes to the combination of equipment such a PCs frameworks with the association. This system utilized the connection the software or equipment what's more, software used to convey the works inside the association furthermore to its accomplices what's more, clients were checked on. The choice to the software segments of data is efficient. In this part we turn our impact to in equipment and men work segments. Understanding the language of technology required in the determination of data and commercial technology is significant test for non-literature office staff and business pioneers and administrators. James (1995) says changing an association technology includes modifying its gear engineering process investigate strategy or creation technique. This approach offers back to logical management,(Fredrick Taylor, 2007) generation technology structure or social specialized approach endeavored to affirm execution by all the while evolving part of an association structure and technology work improvement is a case of tech non-basic approach to change.

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## **2.6 Theoretical Framework**

The study was pegged on the following theory

### **2.6.1 Information Disparity Theory**

When one party knows something the other doesn't. For example, a head procurement officer might bid in a subcontractor to make a tender response more attractive, but doesn't intend to actually use them. This is why procurement contracts often address the parties' responsibilities and what they can and cannot do (e.g. the use and substitution of subcontractors, to go back to the example). From the literature explored, tendering is an essential part of the procurement handle, since the basic thought of the tendering procedure is to guarantee that the privilege strategies are utilized when obtaining of products and enterprises is finished. Its along these lines that calls for procurement officers to take after the set guidelines and directions while sharing OTP, however the costs required in the process is high since the employees must be prepared, the utilization of innovation is additionally included ,record management and moral honesty is henceforth a major venture to the company. It then takes after how much the tendering procedure is said to be incredible and must be ideal if the set



approach set by the administration is to be taken after and followed by every one of the bodies and staff included in the open tendering procedure.

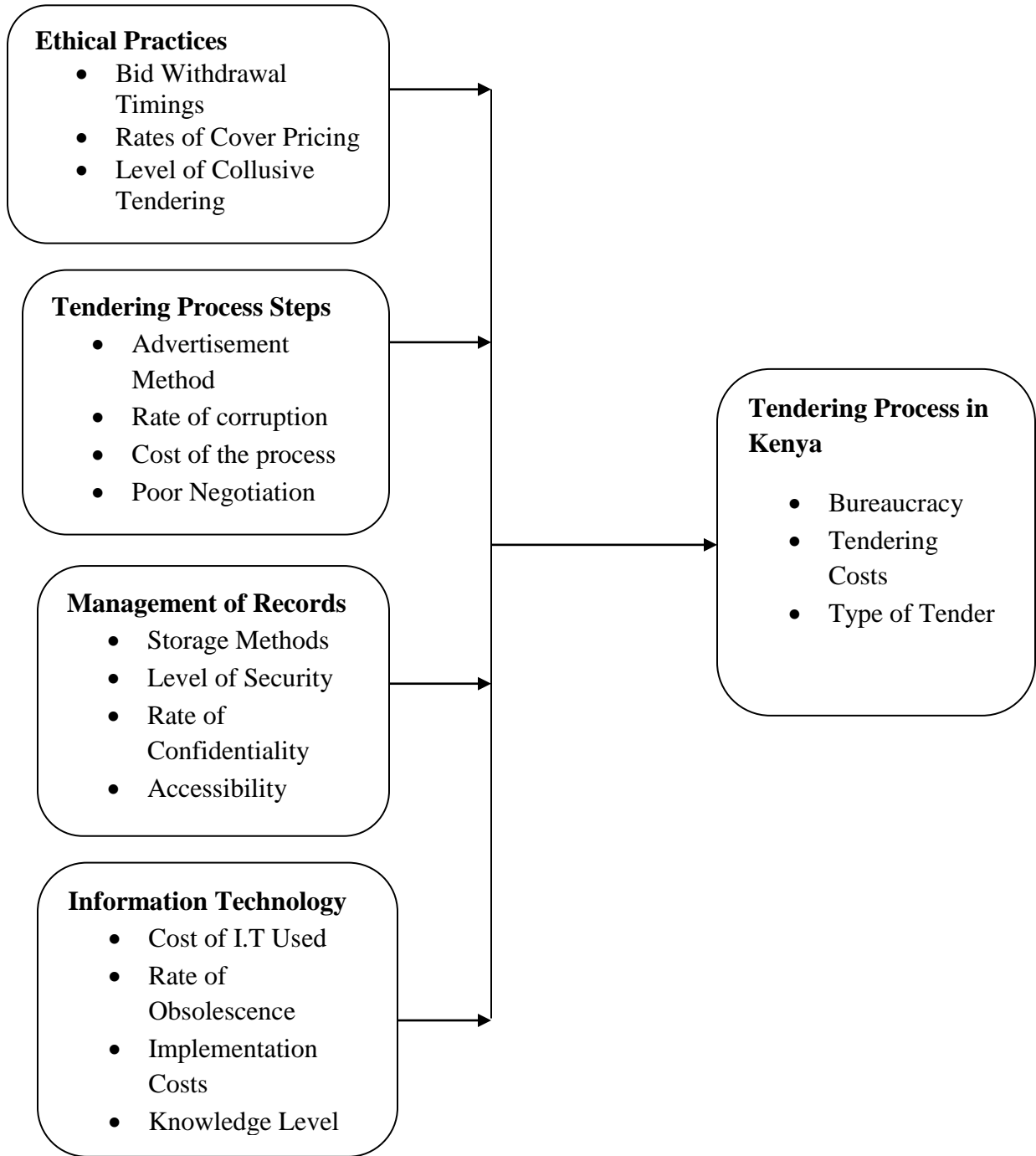
Taking everything into account, it can in this manner be said that the best open tendering procedure is the one that has taken after every one of the techniques and approaches set up to guarantee that the best procurement is accomplished. These approaches what's more, techniques may be set in perspective of secrecy since it's critical since it manages degenerate practices, (PPA 2001), as indicated by Bailey et al (2005) tendering framework when done ought to guarantee open responsibility and straightforwardness. The populace everywhere ought to get issue bargain in consumption that is erroneous by getting merchandise and enterprises out in the open organizations. Obtaining choices ought to be made on the criteria of cost over the life of the products that supplied to the firm, correct points of interest of the hardware and money related aspects including installment terms, premise of contractual costs what's more, transport. It is in people in general sector that tendering is utilized to guarantee standards of open responsibility are held fast to.

## **2.7 Conceptual Framework**

In this study Public Sector Tendering Process is being viewed as the dependent variable. Ethical Practices, Tendering Process, Management of Records and Information Technology constitute the independent variables. The interrelations of the variables are shown in the Conceptual Framework (Figure 1).

**Independent Variables**

**Dependent Variables**



**Figure 2.1: Conceptual Framework**

In this study Public Sector Tendering Process is being viewed as the dependent variable. Ethical Practices, Tendering Process, Management of Records and Information Technology constitute the independent variables. The interrelations of the variables are shown in the Conceptual Framework (Figure 1).

## **Explanation of the variables**

### **2.7.1 Ethics in the Tendering Process**

Ethical behavior in business is defined as "legal behavior and a collection of moral principles or a set of values dealing with what is right or wrong, good or bad" in relation to business practices.

### **2.7.2 Steps in Open tendering Process**

These are a few relevant steps that are required to be followed to the latter which for the most part are used as part of tendering process.

### **2.7.3 Management of Records in Open Tendering Process**

Any public body is required to keep as well as maintain records when it comes to the open tendering process for a period of at least six years after the resulting contract is entered. This helps to create a good basis of transparency, good governance hence achieving accountability when it comes to public tendering.

### **2.7.4 Information Technology**

Utilization of IT comes in handy in the entity to gain the substantial improvement through provision of better services to the clients hence reducing costs as well as time defects.

## **2.8 Summary of Literature Review**

The literature that were obtained on factors which affects the process of open tendering was primarily to do with the public institutions which were mainly principles and policies of the tendering process. Currently, things have changed as well as the guidelines and policies on the open tendering process too. This was able to justify the carrying out of the research on the parastatals which have adopted tendering policies and the standards in guaranteeing that open

tendering is accomplished and is at the par. The literature got may likewise not be relevant to the institutions operations as they are broader in nature considering the way that distinctive institutions rehearse diverse policies, there is need for investigation of specific institutions to think of enough data on the open tendering procedure in broad daylight division.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter describes the methods used to provide answers to the research questions. It provides an outline of how the research will be done and hence focuses on the following sections, Research Design, Target Population, Sampling Procedure, Data Collection Methods, Validity and Reliability of Research Instruments and Data Analysis Technique.

#### **3.2 Research Design**

A research design is a plan, structure and strategy of investigation conceived so as to obtain answers to research questions and to control variances. Orodho (2003) defines it as the scheme, outline or plan that is used to generate answers to research problems. The study employed a descriptive survey research design which involved a survey on the Factors Affecting Effective Tendering Process in the Public Sector: A Case of Kenya National Highway Authority in Athi River, Machakos County – Kenya.

Orodho (2003) defines descriptive design as a method of collecting information by interviewing or administering a questionnaire to a sample of individuals. This research design is appropriate as it described what happened to enable the research make conclusions based on objective knowledge obtained from the field. According to Mugenda and Mugenda (2003), it collects data from relatively large numbers of cases making it more representative, it is essentially cross sectional and you can use qualitative and quantitative data to address the problem and finally provide facts and suggestions on the relationships between the variables and their apparent causes.

#### **3.3 Target Population**

According to Cox (2010) a target population for a survey is the entire set of units for which the survey data are used to make references. Ngechu (2004) states that the population is a well-defined set of people, services, elements or events or a group of things or household being investigated. Target population constitutes the entire or totality of the items under study (Kothari, 2004).

The target population of this study and their numbers included, 25 Heads of Procurement, 12 Legal Affairs, 17 ICT Technicians (Procurement), 60 Suppliers and 14 Finance Officers totaling to 128 from the Kenya National Highway Authority in Athi River as tabulated in Table 3.1

**Table 3.1 Target Population**

<b>Unit of Population</b>	<b>Population</b>
Heads of Procurement	25
Legal Affairs	12
ICT Technicians	17
Suppliers	60
Finance Officers	14
<b>Total</b>	<b>128</b>

### **3.4 Sample Size**

A sample is a small proportion of an entire population; a selection from the population (Kothari, 2004). The Census Method is also called as a Complete Enumeration Survey Method wherein each and every item in the universe is selected for the data collection. This universe constituting the total number of the personnel and suppliers involved with the cement company KENHA is the complete set of items which are of interest in this particular study. Due to the total number of the target population that the researcher deemed reachable, the study adopted a census. The sample size of this study was derived as shown in Table 3.2

**Table 3.2 Sample Size**

<b>Population Unit</b>	<b>No. of Respondents</b>	<b>Sample Size</b>
Heads of Procurement	25	25
Legal Affairs	12	12
ICT Technicians	17	17
Suppliers	60	60
Finance Officers	14	14
<b>Total</b>	<b>128</b>	<b>128</b>

### **3.5 Sample Procedure**

According to Kuul (1984), sampling is the process by which a relatively small number of individuals, objects or events are selected and analyzed in order to find out something about the entire population which was selected. A sample is a small proportion of the target population; sampling is done because it is not possible to obtain information from the whole universe to accurately accomplish study objectives. The determination of sample size is important to the researcher since it may be useful in bringing out credible representation about the population.

According to Mugenda and Mugenda (2003), stratified random sampling which this study has adopted, involves selecting subjects in such a way that the existing sub-groups in a population are more or less reproduced in the sample. The procedure started with stratification of the sub-groups and the followed by random sampling was used.

### **3.6 Research Instruments**

Since the study was a survey, questionnaire administration was seen to be the best research instrument for this study. The questionnaire was designed in line with the study objectives, to enhance quality of data obtained; Likert type questions were included where respondents indicate the extent to which the variables were affected in a five part Likert scale (Gamer, 2010). Other type of questions were included both open ended and closed ended questions which were

prepared and administered to the respective respondents with the help of research assistants who will have been trained before participating in the study.

The questionnaire comprised two sections, the first part designed to determine the demographic characteristics of the respondents, while the second part focused on the four independent variables to be studied (Ethical Practices, Tendering Process, Management of Records and Information Technology). The respondents were assured of confidentiality and given enough time to answer all the questions and give out their views regarding their understanding of the problem under investigation. This method was considered effective for the study in that it was cheap, and easy to administer.

### **3.7 Data Collection Procedures**

Data collection is the gathering of pieces of information that are necessary for the research process, Polit (2000); in this study both primary and secondary data were utilized. Questionnaires were utilized in collecting the data thus ensuring that all respondents from the sample are covered. Mugenda (2003) describes primary data as firsthand information collected, compiled and published for some purpose. It presented the actual information obtained for the purpose of the study, it includes raw facts in the form of answered questionnaires, observed facts and recorded interviews. The sources of primary data for this study were to include drawing personal conclusions in regards to the various activities happening in the field and personal interviews whereas the questionnaires will be the main source of the primary data for this study.

The questionnaires were filled by all the respondents that had been identified as samples for this study; they include Heads of Procurement, Legal Affairs, ICT Technicians, Suppliers and Financial Officers from KENHA – Narok County. Interview guides that are viewed to enhance an in-depth gathering of information from individuals considered to have an adverse knowledge on the area of study are to be used since they are considered appropriate to collect data from the Heads of Procurement and Legal Affairs.

### **3.8 Pilot-testing of the Research Instrument**

A pilot study of the questionnaire was carried out days before the main study. Allan and Emma (2011) pointed out that research outcome quality is determined by the instruments' quality. Pilot



testing entailed picking a representative number of respondents and administering the questionnaire to them, this process was useful to point out any problems with test instructions, instances where items are not clear and will help the researcher format the questionnaire and remove any noted typographical errors and inconsistencies (Mugenda, 2003).

The primary purpose of pilot testing of the research instrument was to construct an initial picture of test validity and reliability, help elicit appropriate responses to the study and determine if questions were relevant and appropriate. Pilot testing also helped to check on the clarity and suitability of the wordings. Corrections and modifications will therefore be undertaken to correct any anomalies noted on the instrument before it is administered.

### **3.9 Validity of Research Instrument**

Validity helps the researcher to be sure that the questionnaire items measure the desired variables. Donald and Delno (2006) define instrument's validity as the appropriateness, meaningfulness and usefulness of inferences a researcher makes based on data collected. Mugenda and Mugenda (2003) agrees with this assertion that validity has to do with how accurately the data obtained in the study represents the variables. This study employed content validity, which according to Borg and Gall (1989) explains that content validity of an instrument is improved through expert judgment. As such, the researcher sought the assistance of the assigned supervisor who, as an expert in research, helped improve on the content validity of the instrument and was also consistent with the objectives of this particular study.

### **3.10 Reliability of Research Instrument**

Donald and Deino (2006) define reliability of the researcher instrument as consistence of scores obtained and it has two aspects; stability and equivalence. Reliability is said to be achieved if an instrument gives consistent results with repeated measurements of the same object. Within this study the Test Re-Test method was employed (Coopers and Schindler, 2003). The test re-test criterion was chosen since the respondents in this study were perceived to be literate hence would understand the need for filling the questionnaire for the second time.

### **3.11 Data Analysis Techniques**

According to Baily (1984), data analysis procedure includes the process of packing the collected information, putting it in order and structuring its main components in a way that the findings could be easily and effectively communicated. Data analysis involves examination of what has been collected in a survey or experiment in order to make deductions and inferences.

After the field research was completed and the expected number of questionnaires returned, inspection was done to ensure they have been filled as intended; the data was then analyzed using qualitative and quantitative techniques by use of descriptive tools in order to come up with useful conclusions and recommendations. The data was then presented in frequency and percentage tables. Descriptive statistical analysis was used to enable the study summarize, organize, evaluate and interpret the numeric information.

### **3.12 Ethical Considerations**

This study was based on the following ethical considerations. First, the research participants were allowed to make informed decisions on whether to participate in the research process or not. These implied that the researcher was not to force or coerce the respondents into participating in the research process. Secondly, the responses from the respondents were considered anonymous; this implies that the respondents will not be required to give their names on the questionnaires to be filled. This prevented victimization considering the fact that the study is on a very sensitive ethical and requires unparalleled level of privacy. Thirdly, the researcher sought permission from all the research stakeholders – the university and the organization involved before undertaking the process of data collection. The researcher is to communicate the findings of the study to all interested research stakeholders.

**CHAPTER FOUR**  
**DATA ANALYSIS, PRESENTATION AND INTERPRETATION**  
**OF FINDINGS**

**4.1 Introduction**

This chapter discussed the interpretation and presentation of findings. It began with the presentation of demographic information of the respondents followed by presentation of the findings as per the objectives in relation to the topic on Factors Affecting Effectiveness in Tendering Process in Public Sector, The Case of Kenya National Highway Authority in Narok, Narok County.

**4.2 Questionnaire Response Rate**

The following is information on the questionnaire response rate

**Table 4.1: Response Rate**

<b>Response rate</b>	<b>Frequency</b>	<b>Percentage</b>
Responded	128	88
Non-response	10	12
<b>Targeted</b>	<b>144</b>	<b>100</b>

The study targeted a sample size of 144 respondents out of which 128 were filled and returned giving a response rate of 88% (Table 4.1). This response rate was good and representative and conforms to Mugenda and Mugenda (1999) stipulation that a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of over 70% is excellent.

### 4.3 Demographic Data Analysis

In this section, the researcher sought to get information on the respondent's gender, age, highest academic qualification, and experience in terms of the years they have spent in the procurement department.

#### 4.3.1 Distribution by Gender

To establish the gender of the respondents, they were asked to indicate them in the brackets. The findings of this were as in Table 4.2

**Table 4.2 Gender Distribution**

<b>Age Bracket</b>	<b>Frequency</b>	<b>Percentage</b>
Male	75	59
Females	53	41
<b>Total</b>	<b>128</b>	<b>100</b>

According to the findings in Table 4.2, majority of the respondents at 75(59%) were male while 53(41%) of them were female. This depicts that men form a larger representation of workers in this particular company.

#### 4.3.2 Distribution of Respondents by Age

To establish the ages of the respondents, they were asked to indicate their age brackets. The findings of this were as in Table 4.3

**Table 4.3 Distribution of Respondents by Age**

<b>Age Bracket</b>	<b>Frequency</b>	<b>Percentage</b>
26 – 30 years	32	25
31 – 35 years	40	31
36 – 40 years	25	19
Above 41 years	31	24
<b>Total</b>	<b>128</b>	<b>100</b>

On the age of the respondents, the study found that the majority of the respondents were between 31-35years 40(31%), 32(25%) were aged between 26-30years while 25(19%) were aged between 36-40years. 31 of the 128 respondents were above the age of 41 years. This shows that majority of the respondents were of an adequate/ informative age and therefore have enough experience on the subject being researched on

#### **4.3.3 Distribution of Level of Education**

The study sought to determine the level of education of the respondents as shown in Table 4.3 below.

**Table 4.4 Level of Education**

<b>Level of Education</b>	<b>Frequency</b>	<b>Percentage</b>
KSCE	15	12
Diploma	40	31
Degree	45	35
Masters	28	22
<b>Total</b>	<b>128</b>	<b>100</b>

From the findings, 15(12%) of the respondents had a Secondary School as their highest level of education, majority 45(35%) of the respondents had a bachelors degree as the highest level of education while another 40(31%) had a Diploma as the highest level of education. 28 of the respondents had a Masters degree. This shows that majority of the respondents were adequately equipped with the required education level and intelligence to understand the intricacies of the tendering process.

#### 4.4 Tendering Process in Kenya

To find out the factors affecting effectiveness in tendering process in public sector in Kenya, the study assessed the different perceptions held by the respondents. The study used the statements as indicated on the table below to analyze and draw factual conclusions on these perceptions. Table 4.5 displays the findings

**Table 4.5 Tendering Process in Kenya**

Statements	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree		Total (%)	
	F	%	F	%	F	%	F	%	F	%	F	%
B1	20	16	45	35	40	31	17	13	8	6	128	100
B2	15	12	54	42	48	38	11	9	--	--	128	100

Table 4.5 shows that 45(35%) of the respondents interviewed agree that bureaucracy in the tendering process is a bottle neck that prohibits faster processing at KENHA, another 17(13%) of the respondents disagreed with the notion. On the type of tender being bid determining the length of the process it will take, 15(12%) of the respondents strongly agreed with the statement with a higher number of 54(42%) also agreeing with the statement. The 48(38%) of the respondents were of a neutral opinion whereas 11(9%) disagreed with that statement.

The respondents were also questioned on whether they perceive that the Tendering Cost and other charges can influence the Tendering Process at KENHA; the findings were as displayed in Table 4.6

**Table 4.6 Tendering Costs**

<b>Response</b>	<b>Frequency</b>	<b>Percentage</b>
Yes	98	77
No	30	23
<b>Total</b>	<b>128</b>	<b>100</b>

From the study findings shown on Table 4.6, 98(77%) of the respondents were of the opinion that Tendering Cost and other charges can influence the Tendering Process at KENHA. The respondents who agreed with the statement majorly gave a reason that cost of any tendering method should be the main reason as to whether it should be adopted or not. Respondents who disagreed with the statement 30(23%), were of the opinion that it was a policy issue and not a matter of personal prerogative.

#### **4.5 Ethical Practices and Tendering Process in Kenya**

The study employed key statements to analyze whether the Ethical Practices influenced Tendering Process in Kenya at KENHA. The findings are as shown in Table 4.7

**Table 4.7 Ethical Practices and Tendering Process in Kenya**

S/No.	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree		Total	(%)
	F	%	F	%	F	%	F	%	F	%		
C1	14	11	38	27	52	40	20	16	4	3	128	100
C2	44	34	46	36	17	13	11	9	--	--	128	100
C3	34	26	56	44	20	16	14	11	4	3	128	100
C4	18	14	44	34	10	28	22	17	8	6	128	100

Results in Table 4.7 indicate that 14(11%) and 38(27%) of the respondents strongly agree and agree that withdrawal of bids can be used to favor certain preferred entities or individuals. Bid withdrawal is the prerogative of the interested parties and can be done at their own wish, this is as shown by the findings where 44(34%) of the respondents strongly agreed and 46(36%) of the respondents agreed with the statement. On cover pricing rates being standardized by the government through policy, 56(44%) of the respondents agreed with the statement; those who disagreed 14(11%) were mostly experienced employees who have been in the procurement department and understand fully how and why cover pricing rates should not be interfered with by the government. The statement on cover pricing rates usually depending on the amount of bid on offer met significant objection with 22(17%) disagreeing and 8(6%) strongly disagreeing with the statement.



The respondents were asked to indicate to what extent they perceive the organization allows collusive tendering in its procurement processes. Their responses findings are as indicated in Table 4.8

**Table 4.8 Collusive Tendering Status**

<b>Response</b>	<b>Frequency</b>	<b>Percentage</b>
No Extent	6	4
Small Extent	46	36
To Some Extent	56	44
High Extent	20	16
<b>Total</b>	<b>128</b>	<b>100</b>

From table 4.8, most of the respondents at 56(44%) were of the opinion that the organization allows collusive tendering in its procurement processes; the group of respondents who indicated high extent 20(16%) further asked for absolute anonymity as they opinioned that the organization allows this so as to get a better more competitive and quality winner for the bids offered.

#### **4.6 Tendering Process Steps and Tendering Process in Kenya**

The information being sought by this question was to gain information on which is the most applied advertisement method at KENHA. The respondents were asked to indicate which their opinion as shown in Table 4.9

**Table 4.9 Most Advertisement Method Adopted**

<b>Response</b>	<b>Frequency</b>	<b>Percentage</b>
Newspapers	52	40
Organization Website	56	44
Official Journals	17	14
Local Publications	3	2
<b>Total</b>	<b>128</b>	<b>100</b>

From the findings presented by Table 4.9, majority 56(44%) of the respondents opined that organization websites are the most common mode of tender advertisement since they were more involved with the IT part of the procurement at KENHA; 52(40%) of the respondents were for local dailies.

On whether tendering process steps have an influence on the tendering process in Kenya, respondents indicated their degree of consent against the statements given; the analysis was as shown in Table 4.10

**Table 4.10 Tendering Process Steps and Tendering Process in Kenya**

<b>S/No.</b>	<b>Strongly Agree</b>		<b>Agree</b>		<b>Neutral</b>		<b>Disagree</b>		<b>Strongly Disagree</b>		<b>Total</b>	<b>(%)</b>
	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>	<b>F</b>	<b>%</b>		
D1	<b>44</b>	34	<b>46</b>	36	<b>17</b>	13	<b>11</b>	9	--	--	<b>128</b>	100
D2	<b>34</b>	26	<b>56</b>	44	<b>20</b>	16	<b>14</b>	11	<b>4</b>	3	<b>128</b>	100
D3	<b>20</b>	16	<b>45</b>	35	<b>40</b>	31	<b>17</b>	13	<b>8</b>	6	<b>128</b>	100
D4	<b>18</b>	14	<b>44</b>	34	<b>10</b>	28	<b>22</b>	17	<b>8</b>	6	<b>128</b>	100

The findings presented in Table 4.10 shows that 46(36%) of the respondents agree that rate of corruption related to tendering depends on the type of tendering being applied. 17(13%) of the respondents were of a neutral opinion on the statement where some of them indicated that the corrupt individuals involved will do so regardless on the type of tendering adopted. There was a big difference between respondents who agreed, 56(44%) and those who disagreed at 14(11%) on the tendering process at KENHA being transparent with information equally available to all interested bidders; those who disagreed opinioned that some bidders get information earlier and with more details than others at certain occurrences.

The type of tendering being applied by KENHA depends on its cost was viewed by the respondents majority who strongly agreed and 20(16%) with the statement. Of the respondents interviewed, 40(31%) were undecided whether cheap tendering processes can give way to corruption and tendering malpractices, the 17(13%) who disagreed with the statement were of the opinion that the cost should not give way to any form of malpractice.

The respondents were asked to indicate there perception on to what extent does bidding negotiation skills influence the tendering process success at KENHA, the responses are as indicated on Table 4.11

**Table 4.11 Bidding Negotiation Skills**

<b>Response</b>	<b>Frequency</b>	<b>Percentage</b>
Strongly Influence	60	47
Moderately Influence	52	40
Does Not Influence	11	9
Not Applicable	5	4
<b>Total</b>	<b>128</b>	<b>100</b>

From the findings of Table 4.11, most of the respondents 60(47%) were of the opinion that bidding negotiation skills influence the tendering process success at KENHA. Some of them talked about negotiation being the most important element in the tendering process and hence must be handled by experienced qualified personnel.

#### 4.7 Management of Records and Tendering Process in Kenya

On whether management of tendering records having an influence on the tendering process in Kenya, respondents indicated their degree of consent against the statements given. The findings were as shown in Table 4.12

**Table 4.12 Management of Records and Tendering Process in Kenya**

S/No.	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree		Total (%)	
	F	%	F	%	F	%	F	%	F	%	F	%
E1	44	34	46	36	17	13	11	9	--	--	128	100
E2	20	16	48	38	45	35	15	12	4	11	128	100
E3	25	19	62	48	30	23	11	9	--	--	128	100
E4	28	22	42	33	29	23	20	16	9	13	128	100

The findings on Table 4.12 indicate that only authorized top level management have access to competitor's tender proposals at KENHA as strongly agreed at 44(34%) and agreed at 46(36%) by the respondents at KENHA. 48 (38%) of the respondents agreed with the statement that storage facilities of tender documents at KENHA are kept under top security with constant surveillance, another 45(35%) were neutral on the same statement citing that it being a policy issue to safeguard tender documents, security loopholes still exist and should be addressed. On

there being Competitive proposals and tenders to be opened as soon as possible after the final date and time set for their receipt, 25(19%) of the respondents strongly agreed, the 62(48%) who agreed with the statement mentioned that this increased transparency and fairness in a significant way.

Table 4.12 also found out that 29(23%) were neutral on the statement that the instructions to bidders/tenderers in KENHA make it clear that the envelope, or any label, must not bear any indication of the sender, including personalized franking marks. The 20(16%) and 9(13%) who disagreed and strongly disagreed respectively believed that such a policy did not exist and the statement depended on individual actions.

Table 4.13 below was to get results on the perception the respondents had on how safe and confidential their opinion are on the tender proposal's from competitors of the same bid

**Table 4.13 Privacy of Tender Proposals**

<b>Response</b>	<b>Frequency</b>	<b>Percentage</b>
Very Safe and Effective	62	48
Moderately Safe and Effective	45	35
Not Safe and Effective	18	14
Not Applicable	3	3
<b>Total</b>	<b>128</b>	<b>100</b>

From the findings on Table 4.13, majority of the respondents at 62(48%) indicated that safety and confidentiality of tender proposal's from competitors of the same bid were moderately safe since they were being handled by humans and humans can be compromised though this was not happening at an alarming level. 18(14%) of the respondents did not perceive the same some of whom witnessed that they were victims of leaked tendering information before they were opened.

#### 4.8 Information Technology and Tendering Process in Kenya

On whether Information Communications Technology has an influence on tendering process in Kenya, respondents indicated their degree of consent against the statements given. The findings were as shown in Table 4.14

**Table 4.14 Information Technology and Tendering Process in Kenya**

S/No.	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree		Total (%)	
	F	%	F	%	F	%	F	%	F	%	F	%
F1	20	16	45	35	40	31	17	13	8	6	128	100
F2	15	12	54	42	48	38	11	9	--	--	128	100
F3	18	14	44	34	10	28	22	17	8	6	128	100

The results shown on Table 4.14 indicate that some of the respondents at 40(31%) are undecided on whether use of IT in the tendering process enables KENHA to save on time and money in terms of operation costs; their opinion was informed by the fact that all tendering activities have been budgeted for and strict timelines are strengthened by policy statements. In disagreement were 17(13%) of the respondents who cited that the statement was a policy issue with set durations of tendering process. Overwhelmingly, 54(42%) of the respondents both strongly agreed and agreed that the rate of IT related software obsolescence discourages in large its adoption for tendering processes.

On whether implementation costs related to Information Technology Tendering is higher than the traditional form of tendering process, majority 44(34%) of the respondents agreed with the statement. The statement was strongly objected by 22(17%) of the respondents who talked about

having experiences with both forms of tendering processes and they did not perceive much difference.

The respondents were asked to indicate to what extent do they perceive the cost of ICT used influences the type of tendering process to be adopted. Their responses findings are as indicated in Table 4.15

**Table 4.15 Cost of IT and its Adoption**

<b>Response</b>	<b>Frequency</b>	<b>Percentage</b>
No Extent	9	8
Small Extent	19	13
To Some Extent	62	49
High Extent	38	30
<b>Total</b>	<b>128</b>	<b>100</b>

From the table above, most of the respondents at 62(49%) were of the opinion that the cost of ICT used influences the type of tendering process to be adopted; the group of respondents who indicated high extent 38(30%) were mainly the ICT department who are involved in a big way with E-procurement which is a current new way of online procurement.

The respondents were also requested to indicate to what extent do they perceive KENHA's Procurement Department staff is well trained and knowledgeable to handle IT Tendering Processes. Their responses findings are as indicated in Table 4.15

**Table 4.16 Staff Training**

<b>Response</b>	<b>Frequency</b>	<b>Percentage</b>
No Extent	5	4
Small Extent	65	51
To Some Extent	35	27
High Extent	23	18
<b>Total</b>	<b>128</b>	<b>100</b>

From table 4.16, most of the respondents at 65(51%) were of the opinion that KENHA's Procurement Department staff are well trained and knowledgeable to handle IT Tendering Processes.



**CHAPTER FIVE**  
**SUMMARY OF FINDINGS, DISCUSSIONS, CONCLUSION AND**  
**RECOMMENDATION**

**5.1 Introduction**

This chapter presented a summary of data findings, discussions, conclusions drawn from the findings highlighted and recommendations made there-to. The conclusions and recommendations drawn were focused on addressing the objectives of the study.

**5.2 Summary of Findings**

This study was undertaken to assess Factors Affecting Effectiveness in Tendering Process in Public Sector, The Case of Kenya National Highway Authority in Athi River, Machakos County. The study initially sought to inquire information on the respondents' gender; according to findings, majority of the respondents at 59% were male while 41% of them were female. This depicts that men form a larger representation of workers in this particular company considering the nature of the industry. On the age of the respondents, the study found that the majority of the respondents were between 31-35years 40(31%), 32(25%) were aged between 26-30years while 25(19%) were aged between 36-40years. 31 of the 128 respondents were above the age of 41 years.

**5.2.1 Ethical Practices and Tendering Process in Kenya**

An analysis of how ethical practices influence tendering processes in Kenya was done and the findings revealed that 14(11%) and 38(27%) of the respondents strongly agree and agree that withdrawal of bids can be used to favor certain preferred entities or individuals. Bid withdrawal is the prerogative of the interested parties and can be done at their own wish, this is as shown by the findings where 44(34%) of the respondents strongly agreed. On cover pricing rates being standardized by the government through policy, 56(44%) of the respondents agreed with the statement The findings on whether the organization allows collusive tendering in its procurement processes; the group of respondents who indicated high extent 20(16%) further asked for absolute anonymity as they opinioned that the organization allows this so as to get a better more

competitive and quality winner for the bids relationship between employee and employers; respondents who disagreed with the statement (26%), were of the opinion that it was a policy issue and not a matter of personal prerogative.

### **5.2.2 Tendering Process Steps and Tendering Process in Kenya**

The findings of the study indicate that majority 56(44%) of the respondents opinioned that newspapers are the most common mode of tender advertisement. The findings also revealed that that 46(36%) of the respondents agree that rate of corruption related to tendering depends on the type of tendering being applied. 17(13%) of the respondents were of a neutral opinion on the statement where some of them indicated that the corrupt individuals involved will do so regardless on the type of tendering adopted. There was some difference between respondents who agreed, 56(44%) and those who disagreed at 14(11%) on the tendering process at KENHA being transparent with information equally available to all interested bidders; those who disagreed opinioned that some bidders get information earlier and with more details than others at certain occurrences. From the findings, most of the respondents 60(47%) were of the opinion that bidding negotiation skills influence the tendering process success at KENHA. Some of them talked about negotiation being the most important element in the tendering process and hence must be handled by experienced qualified personnel.

### **5.2.3 Management of Records and Tendering Process in Kenya**

The information being sought indicate that only authorized top level management have access to competitor's tender proposals at KENHA as strongly agreed at 44(34%) and agreed at 46(36%) by the respondents at KENHA. 10 (26%) of the respondents agreed with the statement that storage facilities of tender documents at KENHA are kept under top security with constant surveillance; on there being competitive proposals and tenders to be opened as soon as possible after the final date and time set for their receipt, 25(19%) of the respondents strongly agreed, the 62(48%) who agreed with the statement mentioned that this increased transparency and fairness in a significant way. The study also found out that 29(23%) were neutral on the statement that the instructions to bidders/tenderers in KENHA make it clear that the envelope, or any label, must not bear any indication of the sender, including personalized franking marks; also, majority

of the respondents at 62(48%) indicated that safety and confidentiality of tender proposal's from competitors of the same bid were moderately safe since they were being handled by humans and humans can be compromised though this was not happening at an alarming level.

#### **5.2.4 Information Technology and Tendering Process in Kenya**

The findings indicate that most of the respondents at 40(31%) are undecided on whether use of IT in the tendering process enables KENHA to save on time and money in terms of operation costs- in disagreement were 17(13%) of the respondents who cited that the statement was a policy issue with set durations of tendering process. Overwhelmingly, 54(42%) of the respondents both strongly agreed and agreed that the rate of IT related software obsolescence discourages in large its adoption for tendering processes. On whether implementation costs related to Information Technology Tendering is higher than the traditional form of tendering process, majority 44(34%) of the respondents agreed with the statement. The statement was strongly objected by 22(17%) of the respondents who talked about having experiences with both forms of tendering processes and they did not perceive much difference. From the findings, most of the respondents at 62(49%) were of the opinion that the cost of ICT used influences the type of tendering process to be adopted; whereas most of the respondents at 65(51%) were of the opinion that KENHA's Procurement Department staff are well trained and knowledgeable to handle IT Tendering Processes.

### **5.3 Discussions**

This section discusses the findings in more details and is themed as per the objectives of the study.

#### **5.3.1 Ethical Practices and Tendering Process in Kenya**

An analysis of how ethical practices influence tendering processes in Kenya was done and the findings revealed that the respondents consented that withdrawal of bids can be used to favor certain preferred entities or individuals; though this was not experienced as much at KENHA, its occurrences revealed some loopholes in the tendering process of the organization hence the need for some major policy reviews. Bid withdrawal is the prerogative of the interested parties and

can be done at their own wish, this is as shown by the findings where the respondents strongly agreed. On cover pricing rates being standardized and regulated by the government through policy, of the respondents agreed with the statement citing that the most experienced form of cover pricing is a price provided by a firm that does not wish to win a particular tender, to a competing firm that wish to win that tender, to enable the firm that wishes to win the tender to submit a lower price should be controlled and culprits arrested and charged. The findings on whether the organization allows collusive tendering in its procurement processes; the group of respondents who indicated high extent further asked for absolute anonymity as they opined that the organization allows this so as to get a better more competitive and quality winner for the bids relationship between employee and employers; respondents who disagreed with the statement were of the opinion that it was a policy issue and not a matter of personal prerogative.

### **5.3.2 Tendering Process Steps and Tendering Process in Kenya**

The findings of the study indicate that majority of the respondents opined that newspapers are the most common mode of tender advertisement since they reached a wide variety of prospective bidders hence the possibility of getting good competitive quality bidders for the tenders. The findings also revealed that that the respondents agree that rate of corruption related to tendering depends on the type of tendering being applied though some of the respondents were of a neutral opinion on the statement, indicating that the corrupt individuals involved will do so regardless on the type of tendering adopted.

There was a slight difference between respondents who agreed, and those who disagreed on the tendering process at KENHA being transparent with information equally available to all interested bidders; those who disagreed opined that some bidders get information earlier and with more details than others at certain occurrences. From the findings, most of the respondents were of the opinion that bidding negotiation skills influence the tendering process success at KENHA. Some of them talked about negotiation being the most important element in the tendering process and hence must be handled by experienced qualified personnel where the perception from those who do not know the public sector well is that every aspect of procurement is process driven, regulations in different parastatals are aimed at ensuring

objectivity in the tendering process, and to protect against fraud. Because of this, negotiation is often not encouraged during the core supplier identification and selection process, because it is seen to bring some element of subjectivity into the process, or to give more scope for a corrupt buyer or seller to win business through unfair means.

### **5.3.3 Management of Records and Tendering Process in Kenya**

The information being sought indicate that only authorized top level management have access to competitor's tender proposals at KENHA as strongly agreed by a good number of the respondents at KENHA. It was also agreed that the statement on storage facilities of tender documents at KENHA being kept under top security with constant surveillance was factually true and the vault can only be accessed by an authorized personnel who have to sign a number of documents before accessing the tender envelopes; on there being competitive proposals and tenders to be opened as soon as possible after the final date and time set for their receipt, the respondents strongly agreed with the statement and mentioned that this increased transparency and fairness in a significant way.

The study also found out that the instructions to bidders/tenderers in KENHA make it clear that the envelope, or any label, must not bear any indication of the sender, including personalized franking marks - before submitting a Proposal, each bidder shall examine the Notice Inviting Sealed Bids, these Instructions to Bidders, the Drawings, Specifications, Contract and General Conditions Between Owner and Contractor, and all other documents comprising the Contract Documents, and fully inform himself of all existing conditions and limitations, and include in the Proposal a sum to cover the cost of all work required by the Contract Documents. At KENHA the failure of any bidder to receive or examine any form, instrument, addendum, or other document, or visit the site and acquaint himself with conditions existing there, shall in no way relieve any bidder from obligations with respect to his Proposal or the Contract Documents also, majority of the respondents indicated that safety and confidentiality of tender proposal's from competitors of the same bid were moderately safe since they were being handled by humans and humans can be compromised though this was not happening at an alarming level.

### **5.3.4 Information Technology and Tendering Process in Kenya**

The findings indicate that most of the respondents were undecided on whether use of IT in the tendering process enables KENHA to save on time and money in terms of operation costs- in disagreement were also respondents who cited that the statement was a policy issue with set durations of tendering process - ICT procurement requires a legal framework, without which countries may experience years of delay in developing paperless filing for customs declarations and in implementing policies<sup>6</sup> agreed on in international, regional, and national institutions.

Overwhelmingly, the respondents both agreed that the rate of IT related software obsolescence discourages in large its adoption for tendering processes. On whether implementation costs related to Information Technology Tendering is higher than the traditional form of tendering process, majority of the respondents agreed with the statement. The statement was strongly objected by some of the respondents who talked about having experiences with both forms of tendering processes and they did not perceive much difference. It was also noted that, most of the respondents were of the opinion that the cost of ICT used influences the type of tendering process to be adopted; whereas majority of the respondents at were of the opinion that KENHA's Procurement Department staff are well trained and knowledgeable to handle IT Tendering Processes.

### **5.4 Conclusions**

According to demographic characteristics of the respondents, the study found out that those that were involved in the study mostly male; majority of the respondents were aged between 31 to 36 years, a good age for adequate experience to respond to the questions that were asked. Furthermore, most of the respondents had acquired Diploma and Degree level education hence able to understand and comprehend the questionnaire content; the experience levels of the respondents was favorable to the study and it yielded informative data to conclude the study.

Ethically, although the tendering codes stipulates that tenderers shall only bid where they intend to carry out the work if successful, some contractors for some reasons sometime decide to submit tenders based on cover-price. Cover prices are tender prices which have been provided at rates

specifically designed to lose the tender but which may appear to be competitive. Despite attempts to prevent this practice, several instances of cover pricing sometimes called non-serious tenders have been reported. The study concluded that cover price can ruin the competitiveness of a tendering process and can also lead to collusion among tendering contractors. However, despite its unethical nature and illegality in some countries, there are some arguments in its favour. The shortage of time to compile a bona fide tender could compel a contractor to submit tenders based on cover price.

The study concluded KENHA administrations invest heavily in ICT and should keep the trading community informed about their investment objectives. An effective procurement begins well before a request for tenders is released. The procurement life cycle begins with strategic planning and continues through procurement and on into the planned obsolescence of both hardware and software. Why planned obsolescence? Because even as an ICT system is being rolled out it has probably already been surpassed by new technology in what is a particularly fast-paced industry. AT KENHA, customs administration must first have an organizational strategic plan and a strategic management team, of which an ICT strategy and a planning group are parts. The ICT strategy should be based on a thorough assessment of KENHA's organizational needs, should focus on how E-Procurement will contribute to the administration's mission and objectives, and together with the mission statement and general strategy should form a basis for evaluating and comparing proposed ICT procurement processes.

The overall goal is to make the public procurement process more transparent to ensure accountability and to reduce wastage of public resources. The new Public Procurement and Disposal Act and the Subsidiary Regulations require procuring entities to manage procurement records properly and effectively-Records must be recognized as a key resource for good management. Sound records management is a vital aspect of ensuring transparency and accountability in the public procurement process. The study concluded that improvement of procurement record keeping practices will ensure the conduct of procurement transactions in an orderly, efficient and accountable manner. Good record keeping practices reduce vulnerability to legal challenge or financial loss and promote efficiency in terms of human and space resources through greater co-ordination of the information use, maintenance and control. The Procurement

Records Management Procedures Manual aims to address the weaknesses in the management of procurement records and to provide guidelines and direction for best practices. It was also concluded that the manual advocates use of information technology alongside the paper based records management system.

## **5.5 Recommendations**

The following were the recommendations of the study based on the findings

1. Equal opportunity when tendering is whereby any type of discrimination demoralizes interest in open tendering process and undermines any push to accomplish esteem for cash through open competition thus no officer should oppress any potential bidder based upon sexual orientation, ethnicity, religious affiliation, physical incapacity or gathering affiliation in the open tendering process.
2. Procurement policies, therefore, should support well-planned and managed procurement that leads to good business outcomes, minimizes the transaction costs of ICT procurement, and ensures that the contractual basis for procurement is consistent, clear to all parties, and accounts for risk.
3. However, the underlying weaknesses of paper based records management must first be addressed before embracing the new automated record keeping system.



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**APPENDICES**

**APPENDIX 1: INTRODUCTION LETTER**

**PRISCILLA ATEKA OBBAYI**

**P.O BOX 77 00300**

**NAIROBI**

TO.....  
.....  
.....

Dear Sir/Madam,

**RE: ACADEMIC RESEARCH.**

I am a student at the University of Nairobi Pursuing a Masters Degree in Project Planning and Management. I am conducting an academic research on **FACTORS INFLUENCING TENDERING PROCESS IN THE IMPLEMENTATION OF ROAD CONSTRUCTION PROJECTS: A CASE OF MAU-NAROK –KISIRIRI ROAD PROJECT BY KENYA NATIONAL HIGHWAY AUTHORITY, NAROK COUNTY, KENYA**

I kindly request you for your assistance in responding honestly to the interview questions and to all the items in the questionnaire. All information given will be treated confidential and will be used only for the intended research Purpose.

Looking forward for your co-operation

Thanks in advance.

**Priscilla Ateka**

**L50/77787/2015**

## APPENDIX II: QUESTIONNAIRE

I am a student at the University of Nairobi undertaking a Master of Arts Degree in Project Planning and Management. It is a requirement for the course to undertake a research project in order to qualify for graduation. The title of my research is “**FACTORS INFLUENCING TENDERING PROCESS IN THE IMPLEMENTATION OF ROAD CONSTRUCTION PROJECTS: A CASE OF MAU-NAROK –KISIRIRI ROAD PROJECT BY KENYA NATIONAL HIGHWAY AUTHORITY, NAROK COUNTY, KENYA**” I am humbly requesting for your assistance in answering the questionnaire, all information will be treated with strict confidence.

### SECTION A: DEMOGRAPHIC INFORMATION

#### 1. Gender

Male

Female

#### 2. Indicate your age bracket

a) 26 – 30 years

b) 31 – 35 years

c) 36 – 40 years

d) Above 41 years

#### 3. Highest Academic Qualifications

KCSE

DIPLOMA

DEGREE

MASTERS

**4. Years Spent In Tendering Department**

Please check in the box that best displays how many years you have been actively engaged in the tendering or procurement department.

- Below 5 years
- 6 – 10 years
- 11 – 15 years
- 16 – 20 years
- 21 years and above

**SECTION B**

**Tendering Process in Kenya**

Below are statements on perception of Tendering Process at KENHA. Please indicate the degree to which you agree using the given scale:

Strongly Agree (1); Agree (2); Neutral (3); Disagree (4); Strongly Disagree (5)

<b>Statements</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Bureaucracy in the tendering process is a bottle neck that prohibits faster processing at KENHA					
The type of tender being bid determines the length of the process it will take					

**5. Do you perceive that the Tendering Cost and other charges can influence the Tendering Process at KENHA?**

- Yes
- No

**SECTION C**

**Ethical Practices and Tendering Process in Kenya**

6. The following are key statements on Ethical Practices in relation to Tendering Process in Kenya at KENHA. Please indicate the degree of your consent using the scale provided

Strongly Agree (1); Agree (2); Neutral (3); Disagree (4); Strongly Disagree (5)

Statements	1	2	3	4	5
Withdrawal of bids can be used to favor certain preferred entities or individuals					
Bid withdrawal is the prerogative of the interested parties and can be done at their own wish					
Cover pricing rates should be standardized by the government through policy					
Cover pricing rates usually depend on the amount of bid on offer					

7. To what extent do you perceive the organization allows collusive tendering in its procurement processes?

- No Extent
- Small Extent
- To Some Extent
- High Extent

**SECTION D**

**Tendering Process Steps and Tendering Process in Kenya**

8. Which is the most applied advertisement method at KENHA ?

- Newspapers
- Websites
- Official Journals
- Local Publications

Others .....

9. On whether tendering process steps have an influence on the tendering process in Kenya, please indicate the degree of your consent against the statements given

Strongly Agree (1); Agree (2); Neutral (3); Disagree (4); Strongly Disagree (5)

Statements	1	2	3	4	5
Rate of corruption related to tendering depends on the type of tendering being applied					
The tendering process at KENHA is transparent with information equally available to all interested bidders					
The type of tendering being applied by KENHA depends on its cost					
Cheap tendering processes can give way to corruption and tendering malpractices					

10. Based on your perception, to what extent does bidding negotiation skills influence the tendering process success at KENHA?

i. Strongly Influence

ii. Moderately Influence

iii. Does Not Influence

iv. Not Applicable

## **SECTION E**

### **Management of Records and Tendering Process in Kenya**

11. On whether management of tendering records having an influence on the tendering process in Kenya, please indicate the degree of your consent against the statements given.

Strongly Agree (1); Agree (2); Neutral (3); Disagree (4); Strongly Disagree (5)

Statements	1	2	3	4	5
Only authorized top level management have access to competitor's tender proposals at KENHA					
Storage facilities of tender documents at KENHA are kept under top security with constant surveillance					
Competitive proposals and tenders should be opened					



as soon as possible after the final date and time set for their receipt					
The instructions to bidders/tenderers in KENHA make it clear that the envelope, or any label, must not bear any indication of the sender, including personalized franking marks					

12. How safe and confidential would you opinion are the tender proposal's from competitors of the same bid?

- i. Very Safe and Effective
- ii. Moderately Safe and Effective
- iii. Not Safe and Effective
- iv. Not Applicable

**SECTION D**

**Information Technology and Tendering Process in Kenya**

13. On whether Information Communications Technology has an influence on tendering process in Kenya, please indicate the degree of your consent against the statements given. Strongly Agree (1); Agree (2); Neutral (3); Disagree (4); Strongly Disagree (5)

Statements	1	2	3	4	5
Use of IT in the tendering process enables KENHA to save on time and money in terms of operation costs					
The rate of IT related software obsolescence discourages in large its adoption for tendering processes					
Implementation costs related to Information Technology Tendering is higher than the traditional form of tendering process					

14. To what extent do you perceive the cost of ICT used influences the type of tendering process to be adopted?

No Extent

Small Extent

To Some Extent

High Extent

15. To what extent do you perceive KENHA's Procurement Department staff are well trained and knowledgeable to handle IT Tendering Processes?

No Extent

Small Extent

To Some Extent

High Extent

**Thank Very Much You For Your Participation And  
Cooperation**

## **APPENDIX III: RESEARCH PERMIT**