

INFLUENCE OF PROCUREMENT RECORD MANAGEMENT ON PROCUREMENT PERFORMANCE OF NAKURU COUNTY GOVERNMENT

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Publication Date: November, 2024

ABSTRACT

Purpose: The study aimed to determine the influence of procurement record management on the procurement performance of Nakuru County Government, Kenya.

Methodology: The study employed a descriptive research design, targeting 35 procurement and 47 finance officers across 10 Nakuru County departments. Data were collected using structured questionnaires, with quantitative analysis done via SPSS for descriptive and inferential statistics and thematic analysis for qualitative data. Results were presented in tables and prose.

Results: The study found that effective procurement record management enhances procurement performance in Nakuru County by improving transparency, cost-effectiveness, and supplier relationships. Pre-tendering boosts supplier diversity and innovation, while multi-criteria tendering enhances value for money. Effective contract administration ensures compliance and supports timely decision-making.

Conclusion: The study concluded that robust procurement record management positively impacts procurement performance, promoting accountability, cost savings, and overall efficiency in the county government's procurement processes.

Recommendations: The study recommends that Nakuru County expand pre-tendering practices for supplier diversity and adopt a multi-criteria selection approach in tendering to maximize value.

Key Words: *Procurement Record Management, Procurement Performance and Nakuru County Government*

INTRODUCTION

Procurement Record Management refers to the systematic process of collecting, storing, managing, and maintaining all records associated with procurement activities (Namukasa, 2019). This includes documents such as purchase orders, contracts, vendor information, invoices, receipts, bid evaluations, and correspondences related to procurement processes. Effective procurement record management ensures that all transactions and activities are transparent, traceable, and accessible for review or audit. Proper procurement record management promotes transparency and accountability in public spending (Ottou, Baiden & Nani, 2019). By maintaining detailed records of procurement activities, county governments can demonstrate that they follow fair and lawful procurement processes, reducing the risk of corruption, fraud, or favoritism.

County governments operate under strict procurement regulations and standards, and comprehensive record-keeping ensures compliance with legal frameworks, including public procurement laws, financial regulations, and audit requirements (Tumuhairwe & Ahimbisibwe, 2021). This compliance helps avoid legal disputes and financial penalties. Accurate and thorough procurement records allow county officials to make informed decisions by reviewing past procurement activities, analyzing vendor performance, and identifying areas for improvement, thus enhancing overall procurement efficiency (Matto, 2022). Effective record management contributes to better procurement performance by streamlining processes, enabling easy tracking of contracts, monitoring delivery schedules, and ensuring prompt payment processing. Additionally, efficient procurement record management improves supplier relationships, negotiation capabilities, and cost savings. Proper records also help identify and manage potential risks, such as supplier defaults, price fluctuations, or contract non-compliance (Lusuli & Rotich, 2019). These records provide necessary evidence to resolve vendor disputes and protect the county government against legal claims. Since county governments undergo regular audits to ensure public funds are used appropriately, detailed procurement records facilitate smooth auditing processes, offering auditors essential documentation to assess compliance, performance, and financial integrity. Furthermore, accurate records support the preparation of reports for stakeholders, including the public and oversight bodies (Ahimbisibwe, 2021).

In the United States, procurement record management practices are guided by the Federal Acquisition Regulation (FAR) at the federal level and various state-specific regulations at the state and local levels. Federal agencies are required to maintain comprehensive

documentation for every stage of the procurement process, including solicitation, contract award, and contract administration (Afifah, 2021). The FAR emphasizes the importance of accurate record-keeping to support transparency, accountability, and compliance with government regulations (Vonortas, 2019). Electronic systems, such as the System for Award Management (SAM) and the Federal Procurement Data System (FPDS), facilitate managing and storing procurement records, allowing federal agencies to access and review records efficiently. State and local governments also employ their own procurement management systems, tailored to local regulations, to ensure that records are maintained and accessible for audits and public review (Matto & Athumani, 2019).

In Rwanda, procurement record management is governed by the Public Procurement Law, and the Rwanda Public Procurement Authority (RPPA) plays a central role in enforcing these practices. The country has adopted the Integrated Procurement Management System (IPMS), an electronic platform that streamlines the entire procurement process (Madsen et al., 2020). This system allows for the recording and storage of procurement data, from tendering to contract management, ensuring transparency and efficiency. IPMS provides easy access to procurement records, which are essential for auditing and compliance checks. Additionally, the establishment of the Procurement Professionals Association of Rwanda (PPAR) has enhanced record management practices by promoting professionalism and providing training programs to build procurement capacity (Lusuli & Rotich, 2019).

In Kenya, procurement record management is regulated by the Public Procurement and Asset Disposal Act, with oversight by the Public Procurement Regulatory Authority (PPRA). The Integrated Financial Management Information System (IFMIS) digitizes bid submissions, tracks procurement activities, and stores essential records, enhancing transparency and accountability (Wanjiru, 2019). IFMIS centralizes procurement management for both agencies and suppliers, while PPRA audits and maintains supplier databases to ensure fair and transparent practices.

Statement of the Problem

Procurement record management plays a crucial role in ensuring transparency, accountability, and efficiency in public procurement processes. In Nakuru County Government, procurement activities are integral to delivering public goods and services. However, there have been concerns regarding inefficiencies in procurement performance,

such as delays, cost overruns, and lack of transparency, which may be linked to poor procurement record management practices. Effective management of procurement records is vital for tracking procurement processes, ensuring compliance with regulatory frameworks, and facilitating timely decision-making. Despite the importance of proper procurement record management, there is limited empirical evidence on its influence on procurement performance in Nakuru County Government.

LITERATURE REVIEW

The study adopted the records lifecycle theory. Record life cycle theory is a framework used in records management to explain the stages that records go through from their creation to their eventual disposition. The theory proposes that records go through different stages during their life cycle, each requiring specific management practices and strategies to ensure their proper management, preservation, and use. The theory was relevant to the current study in that it emphasizes the importance of effective records management practices at each stage of the life cycle to ensure that records are properly managed and used to support organizational goals and objectives. The theory also emphasizes the need for a systematic and structured approach to records management that involves the development of policies, procedures, and systems for managing records throughout their life cycle. Hence the theory helps in explaining the effects of procurement record management on procurement performance in the County Government of Nakuru.

METHODOLOGY

The study adopted a descriptive research design. The descriptive research design was effective for this study as it was used to solicit the desired information through the adoption of a questionnaire and interview schedule (Dubey & Kothari, 2022). The unit of analysis was 10 departments in the County Government of Nakuru. The unit of observation was top and middle level employee working in procurement and finance departments. This included 35 procurement and 47 finance officers working in the 10 departments in the County Government of Nakuru. The study adopted census technique to incorporate all the targeted respondents. Primary data was collected using structured questionnaire and interview schedules (Davidavičienė, 2018). The questionnaire contained closed-ended/structured questions which are the questions that the researcher has given the respondents the choices of the answers that the respondents can answer. The design of the questionnaire was based on a multiple-item measurement scale. A five-point Likert Data

was employed. The researcher then issued questionnaire to the sampled procurement and finance officers through the department head which was collected after two weeks. Data was collected using the drop and pick later method.

A pilot-test was conducted at Kericho County where 8 questionnaires were issued out to the procurement officers. Data collected from the pilot study was not incorporated in the main study. For construct validity, the study used short, straight forward and close ended questions that was easily understood (Awang, 2012). Criterion validity was ascertained by comparing the average scores of the different groups of respondents using analysis of variance (ANOVA). Reliability in this study was enhanced by pre-testing the questionnaire with a selected sample which was not included in the main study. An internal consistency technique was applied using Cronbach's Alpha. The study collected both quantitative and qualitative data. Qualitative data from the interview schedules was analyzed using thematic analysis. Quantitative data was analysed using Statistical Package for Social Sciences (SPSS) version 25 to generate descriptive and inferential statistics. Descriptive statistics involved the use of percentages, frequencies, mean, and standard deviations. Biodata was analysed by use of descriptive means involving frequency and percentages. The quantitative result was presented in tables for easier interpretation of the findings. Inferential statistics involved the use of Pearson's correlation analysis and regression analysis.

RESULTS

The study presents the descriptive findings. It includes the descriptive and inferential results. These findings are presented in the subsequent sections.

Descriptive Results

Procurement Record Management on Public Procurement Performance

The respondents were asked to indicate their level of agreement on the influence of procurement record management on public procurement performance in the County Government of Nakuru. The findings are presented in Table 1.

Table 1: Procurement Record Management on Public Procurement Performance

Statement	S A %	A %	U %	D %	SD %	Mea n	Std
Pre-tendering brings about many suppliers thus opening up positions for innovation and cost-effectiveness	52	39	9	0	0	4.419	0.667
Pre-tendering leads to strategic advantage through cost leadership of the suppliers	37	31	19	13	0	3.887	1.073
Pre-tendering of suppliers minimizes the cost incurred in screening and analyzing bids tendered	44	40	6	10	0	4.177	0.932
Tendering process brings about economic cost and value for money through effective suppliers' selection	37	39	10	14	0	3.984	1.032
Tendering has brought about a multi-criteria selection approach during tendering rather than the notion of lowest-price wins	42	39	11	8	0	4.145	0.921
Tendering process enhances most competitive firms in terms of cost of supply to win the tender	44	38	7	7	4	4.273	.689
Contract administration helps in decision making on how goods will be procured.	62	32	3	3	0	4.604	.670
Effective contract administration ensures that the terms of the contract are adhered to	55	42	3	0	0	4.516	0.565

The study found that pre-tendering boosts procurement performance by encouraging supplier diversity, innovation, and cost-effectiveness, with 91% of respondents agreeing (mean = 4.419, SD = 0.667). Moreover, 68% supported that pre-tendering promotes strategic cost leadership among suppliers (mean = 3.887, SD = 1.073), and 84% felt it lowers costs in bid screening and analysis (mean = 4.177, SD = 0.932). These results are consistent with Namaganda (2019), who observed that pre-tendering allows organizations to evaluate suppliers' stability and past performance, minimizing risks of delays or project failures.

The study also found that the tendering process contributes to value for money through effective supplier selection, with 76% agreement (mean = 3.984, SD = 1.032), and supports multi-criteria selection over a lowest-price approach, with 81% agreement (mean = 4.145, SD = 0.921). Furthermore, 82% agreed that the process enhances competition by awarding tenders to cost-effective suppliers (mean = 4.273, SD = 0.689), consistent with Namukasa

(2018), who argued that tendering promotes transparency and fairness. Contract administration emerged as crucial, with 94% agreeing it aids decision-making on procurement methods (mean = 4.604, SD = 0.670) and 97% affirming it ensures adherence to contract terms (mean = 4.516, SD = 0.565). These results reflect Omae’s (2017) findings, which emphasized contract administration’s role in resolving issues proactively, minimizing disputes, and addressing any contract deviations promptly.

The researcher further sought to assess the how tendering affects procurement performance in the County Government of Nakuru. One of the respondents conquered that

Tendering significantly impacts procurement performance in Nakuru County Government by fostering competition, ensuring transparency, and promoting value for money. The tendering process allows for the selection of suppliers based on a comprehensive evaluation, considering factors beyond just cost. This approach enhances the quality and reliability of suppliers, contributes to cost-effectiveness, and ensures that the government engages with the most competitive firms, thereby positively influencing overall procurement performance (Procurement Employee from Water Environment Energy and Natural Resources Department).

Public Procurement Performance in the County Government

The respondents were asked to indicate their level of agreement on public procurement performance in the County Government of Nakuru. The findings are presented in Table 3.

Table 2: Public Procurement Performance in the County Government

Statement	SA (%)	A (%)	N (%)	D (%)	SD (%)	Mean	Std. Deviatio
The county government has put in place cost saving measures in the procurement of goods and services	64	29	2	5	0	4.403	0.778
The county government has been able to reduce the operational costs through cost saving in procurement of goods and services	54	30	8	5	3	4.307	0.738
Delivery time management affects procurement performance in the County government of Nakuru.	38	38	4	11	9	4.145	0.807
Goods and services are procured within the estimated deadlines	43	34	7	5	11	4.387	0.869
Supplier quality affects procurement performance in the County government of Nakuru.	30	54	5	8	3	4.181	0.513
Order cycle time affects procurement performance in the County government of Nakuru.	49	40	3	5	3	4.403	0.778
The county government selects suppliers with a track record of on-time delivery	44	38	7	7	4	4.273	.689

The findings indicate that the majority of respondents (93%) agreed that the county government has implemented cost-saving measures in procuring goods and services, with a mean score of 4.403 and a standard deviation of 0.778. Additionally, 84% agreed that these cost-saving practices have effectively reduced operational costs, with a mean score of 4.307 and a standard deviation of 0.738. A significant portion of respondents (76%) also agreed that managing delivery times positively impacts procurement performance in Nakuru County, reflected in a mean score of 4.145 and a standard deviation of 0.807. According to Anand, Sahay, and Saha (2018), the timely delivery of goods and services is crucial for maintaining operational efficiency in county government, as procurement delays can lead to service disruptions, project delays, and increased costs.

Furthermore, 77% of respondents agreed that goods and services are typically procured within the estimated deadlines, with a mean of 4.145 and a standard deviation of 0.807. The majority also agreed that supplier quality directly influences procurement performance, with a mean score of 4.181 and a standard deviation of 0.513. Additionally, 89% of respondents noted that order cycle time significantly affects procurement performance, with a mean of 4.403 and a standard deviation of 0.778. Lastly, 82% agreed that the county government selects suppliers with a strong track record of on-time delivery (mean = 4.273, SD = 0.689). According to Basheka (2019), choosing suppliers with a history of timely delivery enhances the reliability of the procurement process, supporting the stability and continuity of government operations.

The researcher also sought to assess how savings affect procurement performance in the County Government of Nakuru. One of the respondents agreed that

Cost savings are a key driver of procurement performance in Nakuru County Government. Implementing cost-effective procurement strategies, negotiating favorable terms, and identifying opportunities for savings contribute to efficient resource allocation. Savings can be reinvested in other crucial areas, improving service delivery, and enhancing overall government effectiveness. Therefore, a focus on cost savings directly correlates with positive procurement performance in Nakuru. (Finance Staff from County Treasury Department).

The researcher also sought to assess how delivery management affects procurement performance in the County Government of Nakuru. One of the respondents agreed that

Effective delivery management is crucial for procurement performance in Nakuru County Government. Timely delivery of goods and services ensures that projects and services are not delayed, contributing to overall operational efficiency. Proper delivery management, including constant communication with suppliers, minimizes the risk of disruptions and enhances the government's ability to meet its commitments (Public Services Training and Devolution Infrastructure Department)

DISCUSSION

From the findings on the hypothesis testing that p-value was 0.016 which was less the 0.05 significant level. Therefore, based on the rule of significance, the study rejects the null hypothesis (H_{01}) and concluded that procurement record management has significant effect on the on public procurement performance in the County Government of Nakuru. The study agreed with those of Muinde, Mukulu and Odari, (2020) findings which revealed that procurement records management and procurement performance had a significant positive relationship with the procurement performance. The study findings are also in line with those of Mordecai, (2022) findings which revealed that records management attributes significantly affect procurement performance in Tanzania, with. Furthermore, government policy and integrity factors confound the association between records management and procurement performance.

CONCLUSIONS

Based on the findings of the study concluded that there is a positive and statistically significant correlation between procurement record management and public procurement performance in the County Government of Nakuru, Kenya. The study also concluded that majority of the respondents agreed that tendering has brought about multi-criteria selection approach during tendering rather than the notion of lowest price wins. The study also concluded that majority of the respondents agreed that tendering process enhances most competitive firms in terms of cost of supply to win the tender. The study also concluded that majority of the respondents agreed that contract administration helps in decision making on how goods will be procured. Moreover, the study revealed that effective contract administration ensures that the terms of the contract are adhered to.

RECOMMENDATION

The study recommends expanding pre-tendering practices to enhance supplier diversity, innovation, and cost-effectiveness. It advises the county government to emphasize cost leadership benefits through pre-tendering as part of their procurement strategies. Additionally, the study suggests maintaining a multi-criteria approach during tendering to prioritize value for money and consider factors beyond just the lowest price. Effective contract administration is also highlighted as essential, with a recommendation for the government to prioritize decision-making processes and strict adherence to contract terms.

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