

**PUBLIC PROCUREMENT PRINCIPLES AND EFFECTIVE  
IMPLEMENTATION OF CONSTITUENCY DEVELOPMENT  
FUNDED SCHOOL PROJECTS IN NYERI TOWN  
CONSTITUENCY**

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the Award of Masters of Science in Supply Chain Management in the  
School of Business Management and Economics,  
Dedan Kimathi University of Technology**

**FEBRUARY, 2019**

## DECLARATION

I declare that this research thesis is my original work and has not been presented for academic purposes in Dedan Kimathi University of Technology or any other institution of higher learning.

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## **DEDICATION**

This thesis is dedicated to my beloved parents Charles and Rose along with my husband Nyaga and children Kaboi and Ndanyu for their unwavering support and encouragement as I undertook my studies.

## **ACKNOWLEDGEMENT**

First and foremost, I thank the Almighty God for the gift of life, good health and for enabling me go through my studies. His mercies upon my life have been enormous. I sincerely value the selfless advice, relentless guidance and tireless efforts of my supervisors, Dr. David Kiarie and Dr. Pamela Marendi all through the process of writing this thesis, I am grateful for their dedication. I appreciate my classmates who were very supportive in this and who we consulted with on areas of common interest. You have been worthy academic partners. I most sincerely appreciate the Sub Chiefs and PMC members of the various schools who helped me in data collection. Your immense contribution to this project cannot go unnoticed. Last but not least, I salute my family for their support, understanding and patience as I undertook my studies. Thank you for providing a conducive environment from which I was able to work conveniently.

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## **LIST OF ABBREVIATIONS AND ACRONYMS**

APCC	: Australian Procurement and Construction Council
BOM	: Board of Management
CDF	: Constituency Development Fund
EACC	: Ethics and Anti - Corruption Commission
EC	: European Commission
EC	: European Commission
EU	: European Union
FAR	: Federal Acquisition Regulation
FGN	: Federal Government of Nigeria
GDP	: Gross Domestic Product
GoG	: Government of Ghana
GoI	: Government of India
GoM	: Government of Malaysia
IDA	: International
KSG	: Kaduna State Government
NG-CDF	: National Government Constituency Development Fund
OECD	: The Organization for Economic Co-operation and Development
PA	: Parent Association
PMC	: Project Management Committee
PMRC	: Policy Monitoring and Research Centre
PPDA	: Public Procurement and Disposal Act
PWD	: Persons Living with Disability
ROK	: Republic of Kenya
RSA	: Republic of South Africa
TR	: Teacher representatives
UK	: United Kingdom
UNCTAD	: United Nations Conference on Trade and Development
UNOPS	: United Nations Office for Project Services

## ABSTRACT

The study examined public procurement principles and project implementation effectiveness in Constituency Development Fund projects in Nyeri Town Constituency. The study was informed by Institutional theory, agency theory, stakeholder's theory and legitimacy theory. This research used descriptive survey research design. The target population was 104 comprising of 90 project management committee members from both primary and secondary schools that have benefited from Constituency Development Fund, and fourteen (14) sub chiefs whose areas have benefited from these projects. Collection of data was done by use of questionnaires as well as interviews schedules. A pilot study was carried out in one secondary and one primary school that have benefited from Constituency Development Fund prior to the period under study. Cronbach Alpha coefficient with a value of 0.70 indicated that the instrument was reliable. Ninety (90) questionnaires were distributed and seventy nine (79) of those targeted responded to the questionnaire representing a response rate of 87.8%. Out of the fourteen (14) sub chiefs targeted, only eleven (11) were interviewed. The analysis of the collected data was done by use of statistical package for social sciences (SPSS) to produce descriptive and inferential statistics. So as to test the extent of relationship amongst the variables a statistical confidence level of 95% was used. The study revealed that competitiveness, transparency, fairness and equity, and integrity and ethical issues had positive and significant effect on implementation of constituency development funded school projects. In addition, the study revealed that bids were open to all interested and eligible bidders, and advertisement was done to create awareness of available opportunities and deliberate effort was being made to ensure supplier diversity reservations were done to the disadvantaged groups (Youth, Women and People Living with Disability) enhances implementation effectiveness in Constituency Development Funded school projects. This research revealed that there was no policy to guide on transparency and accountability. The study recommended that there should be a policy in place to guide on transparency and accountability. In addition, the schools should ensure that more bidders bid to undertake CDF projects with a view to ensure that cost, quality and efficiency play a center stage. The study also recommends that in future a study be conducted on the effectiveness of the procurement management adopted by the schools across the Nyeri County. This will ensure that the procurement practices adopted by the schools are effective in managing the procurement processes in all schools of Nyeri County.

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background to the Study

A project is an investment activity that involves an outlay of funds in the expectation of a stream of benefits extending far into the future (Chandra, 2008). According to Brown and Hyer (2010), a project is a temporary endeavor intended to solve a problem, to seize an opportunity, or responds to a mandate. Project implementation on the other hand refers to the process of actualizing the investment plan by putting certain specific actions and structures in place in order to operationalize the investment plan to derive the targeted benefits from the project (Cherop, 2016).

Williamson (2014) identified criteria against which projects performance can be measured that includes cost, time, and quality/performance. Therefore, to establish whether a project has been effectively implemented, one has to go back to the initial project goals of completion time, cost and quality/performance and be able to measure the extent to which they were achievement.

According to National corruption perception survey NCPS (NCPS, 2010) the misuse and misappropriation of public resources such as CDF and LATF in Kenya is 11.2% (EACC, 2012). CDF bursaries and projects are prone to corruption and unethical conduct which adversely affect effective implementation (EACC, 2015). The CDF kitty was established in Kenya to give the locals' power to implement development initiatives of their choices, yet most projects have been poorly implemented with nothing substantial to show for the funds utilized (Owuoth, 2011). It is against this backdrop the study intended to assess how public procurement principles impact project implementation.

Constituency Development Fund is where funds from National government are disbursed to the constituencies for local CDF projects. Some of the counties that have embraced CDF projects includes: Kenya, Ghana, Malawi, Uganda, Tanzania, Rwanda, Southern Sudan, Zimbabwe, Zambia, Tanzania, Solomon Islands, India, Philippines, Jamaica, Malaysia, Honduras, Liberia, Mongolia, Papua New Guinea, Nigeria, Pakistan, Nepal, Solomon Island, Namibia, and Bhatan (Gathoni & Ngugi, 2016). CDF was established to eliminate poverty, share national resources, and encourage citizen participation in enhancing economic development (NG-CDF Board, 2016). Studies in Kenya have provided

evidence of the existence of a serious problem of ineffective project implementation within the public sector (Cherop, 2016).

In India, members of parliament are allocated yearly discretionary funds to use in their district under the 'Member of Parliament Local Area Development Scheme' (Case presentations, 2009). The noted disbursement of funds to local levels has however put public procurement in scrutiny worldwide due to reported implementation inefficiencies. This is due to a perceived link to procurement with good project implementation, attainment of the objectives of the projects, their sustainability and satisfaction of stakeholders (World Bank, 2013). Indeed, among European Union, (EU) members' procurement regime among members must be guided by the principle of competitiveness, equal treatment and non-discrimination, transparency and accountability. However, procurement challenges have been cited in the reported delay in project implementation; poor quality work and manipulation of projects by members of parliament in India (Government of India, 2010). In Malaysia, the government has put in place measures to safeguard the use of public resources among procurement guidelines in which principles of fairness, transparency, equity accountability and value for money are salient (Government of Malaysia, 2010). However, procurement malpractices and noncompliance with the procurement policies have been reported (Hui, 2011).

In Africa, the concept of CDF has been embraced in countries such Ghana, Guinea, Namibia, Rwanda, Zambia, Uganda, Zimbabwe and Malawi (Roba, 2014). In Zambia, the main goal of CDF projects is to sponsor micro-community projects to eradicate poverty. In Malawi, the salient objective of CDF is to respond to instant community development needs and safeguard that rural development ranges evenly across the country. The goal of CDF in Uganda is to eliminate poverty at the grassroots to complement other government poverty eradication policies (Policy Monitoring and Research Centre, 2014).

In Ghana, CDF was introduced particularly to address social-economic needs of poverty-stricken communities' especially in slums and in rural setups (Republic of Ghana (RoG), 2007). To safeguard public resources Rwanda and Tanzania have set

accountability mechanisms which include rolling out procurement guideline (Saleh, 2014). In Ghana, the principle of transparency is the bedrock of Public Procurement Act of 2003 to bring about equity and fairness, and strictness to competition to arrest the perceived corruption in procurement (Republic of Ghana, 2003). However, procurement has been reported to be an impediment to effective implementation of community projects.

In Zambia, among the reported challenges facing implementation of CDF projects is corruption and lack of adequate accountability measures (Chimboba, 2013). In Uganda and Tanzania the utilization of CDF funds has been reported to be inefficient and mired in corruption. The guideline for utilization of funds is not only inadequate but also largely ignored by the members of parliament as custodians of the funds (Tshangana, 2010).

In Kenya Constituency Development Fund as a devolved fund was established to eliminate poverty, share national resources, and encourage citizen participation (CDF, Board, 2014). It was started in started in 2003 through the CDF Act (ROK, 2003). In January 2013, the CDF Act 2003 was replaced by CDF Act 2013 previously revised in the year 2007. On 20th February 2015, CDF Act 2013 was declared unconstitutional hence invalid. Due to the court ruling, CDF Act 2013 was replaced by National Government Constituencies Development Fund (NG-CDF) Act 2015 which took effect from 19th February 2016 (NG-CDF Board, 2016). According to NG-CDF Board (2016), there are over 85,000 CDF projects that have been funded by the total amount of Kshs. 193,896,852,648 allocated to 290 constituencies as from the year 2003 to 2016. Specifically, Nyeri Town Constituency has received Kshs. 521,200,506 in the same period. The impact of the project's countrywide is felt in key sectors like Health 6%, Water 11%, with Education taking a lion's share of 55% (CDF Board, 2014). For this reason, the study will focus on assessing how public procurement principles affect implementation CDF funded projects in schools.

The Government of Kenya has put various measures to ensure accountability and prudent use of the CDF funds in order to meet the intended goals. According to CDF Act 2003 amended 2007, consequent CDF Act 2013 and most recent NG-CDF Act

2015, the CDF funds as government funds must be subjected to accountability mechanisms. The Acts envisage an inclusive CDF management to ensure stakeholder involvement in CDF management, provision for CDF managers aimed to ensure the funds are managed professionally. The CDF project implementation is subject to Procurement Act 2005 (ROK, 2005). The act provides for procurement processes and principles to guide procurement and disposal of goods and services in government-funded projects including the devolved CDF.

Article 227 of Kenya Constitution, 2010 stipulates the essence of procurement principles in government business, and provides that public entities when an organ of a state or any other public body contracts for services and goods it shall do so in compliance with a method which is equitable, fair, transparent, cost-effective and competitive (Republic of Kenya [ROK], 2010). The same constitution demands integrity and ethics for state officers entrusted with the utilization of public funds. Moreover, utilization of CDF funds as taxpayers are subject to scrutiny by the auditor general (Kenya National Audit Office (KNAO), 2015).

In Kenya there is a strong feeling the CDF funds are not being utilized optimally. According to KNAO (2014), 273 out of 290 constituencies could not fully account for billions allocated for CDF yet funds had been distributed to various identified community projects. Among the constituencies with a notably high number of incomplete projects and concerns over procurement noted in the report include Seme, AlegoUsonga, Bonchari, Kaloleni, Kanduyi, Subukia, Ruaraka, Machakos Town, Maragwa, Bundalangi and Nyeri Town.

KNAO (2016), reported that, in Nyeri Town Constituency, out of 52 projects slated for 2014-15 only 35 were completed with most of incomplete projects being the ones in public schools. The report further noted flouting of procurement process casting doubt on value for money even in the completed projects. According to Ethics and Anti - Corruption Commission (2015), procurement is a major contributor to the poor performance of CDF projects as it is prone to manipulation and corrupt practices. International Government Institute , Kenya (2010), points out that 60% of stalled CDF projects countrywide are estimated to be as a result of procurement

malpractices. As such the study will focus on examining four major procurement principles to find out how they have affected implementation of CDF funded projects in Nyeri Town Constituency.

Ndolo *et al.*, (2015) concluded that procurement operations in CDF have remained questionable to stakeholders largely due to lack of compliance with procurement guidelines. Indeed studies by Rutere (2009); Wambugu, (2008) and Ndolo *et al.*, (2008), have related procurement to failure in CDF project implementation in North Imenti, Dagoretti and Kikuyu Constituencies. However, the extent to which failure of projects is attributed to procurement principles remains largely unexplored.

Sound public procurement principles that promote transparency and reduce the opportunity for opaque decisions are an important weapon in this fight. In recent years international principles, conventions and instruments have been developed to ensure the transparency, integrity and efficiency of public procurement systems worldwide. The World Trade Organization (WTO), the United Nations Commission on International Trade Law (UNCITRAL) and the Organization of Economic Co-operation and Development (OECD) have adopted instruments to foster the harmonization of applicable public procurement rules and guidelines to promote sector competition and ensure fair treatment of bidders. In recent decades many developed and developing countries have been modernizing and reforming public procurement regulations to increase competition, transparency and generate budgetary savings (World Bank 2016).

It has been argued that the conventional regulatory as well as the legal framework within Kenyan secondary schools have put in a little strength to the system of public procurement, although there are still weaknesses in the framework it's still apparent that the principles of procurement necessitate to further grow and significant effort made to enhance procurement competitiveness, transparency, fairness and promote integrity and ethics in which could enhance effective implementation of CDF funded project in public school (Engelbert, Reit & Westen, 2012).

## **1.2 Statement of the Problem**

Constituency Development Fund has since inception in 2003 to 2016 money allocation amounting to Ksh. 193,896,852,648 has been done countrywide with Nyeri Town Constituency receiving Ksh. 521,200,506 from this amount (NG-CDF Board, 2016). This allocation is aimed at achieving the objectives of devolving funds to attain fast socio-economic growth and eliminate poverty at the level of constituency via locally prioritized projects financing. The funds are supposed to be utilized appropriately and efficiently in project implementation for the citizens to gain the benefits associated with devolved funds at local levels.

In an effort to bring about effectiveness in project implementation, Public Procurement and Asset Disposal Act 2015, and the New Constitution (2010) provide guidelines for procurement processes. They outline procurement principles for beneficiaries of the project to get the value of their money, to ensure transparency in the procurement process, increase competitiveness, ascertain integrity and ethics, maintain fairness and equity. This is aimed at achieving timelines, completeness and quality of workmanship in project implementation.

However, the implementation of CDF projects has been marred with lots of controversies which have resulted in public outcry. Reports from KNAO (2014); EACC, (2012); and IPSOS, (2014) indicate that majority of CDF projects countrywide have been mismanaged as attested by soaring number of incomplete projects. According to KNAO (2014), CDF projects in 273 constituencies out of 290 have been mismanaged. There are a soaring number of projects that have not been completed despite money having been disbursed to the project committees. In Nyeri Town Constituency, the KNAO (2016) report particularly singles out Nyeri Town Constituency in which only 35 projects out of 52 had been completed as of June 30 2015. Moreover, the auditor general questioned procurement process as even the projects listed as complete do not reflect the value of money due to quality concerns. There is a cause for concern due to a large amount of money allocated to CDF projects countrywide and Nyeri Town constituency in particular without commensurate and reciprocal benefit. The connection between procurement and project implementation has attracted research concerns.



Studies conducted in Kikuyu Constituency (Ndolo *et al.*, 2015), North Imenti Constituency (Rutere, 2009), Dagoretti Constituency (Wambugu, 2008) Kisauni Constituency ( Nyagah & Mugambi, 2014) have reported non-compliance to procurement requirements despite statutory guidelines provisions. However, the studies have largely focused on procurement procedures. The principles guiding procurement process as outlined in the new constitution and Public Procurement and Asset Disposal Act, 2015 have not received adequate attention. Moreover, despite the reported failure of CDF projects implementation in Nyeri Town Constituency, the extent to which projects implementation effectiveness in relation to procurement principles has escaped scholarly attention.

### **1.3 Objectives**

#### **1.3.1 General Objective**

The study's general objective was to examine public procurement principles and effective implementation of constituency development funded school projects in Nyeri town constituency.

#### **1.3.2 Specific Objectives**

This research was directed by specific objectives as follows;

- i. To examine the influence of competitiveness on the effective implementation of constituency development funded school projects in Nyeri town constituency
- ii. To determine the influence of transparency on the effective implementation of constituency development funded school projects in Nyeri town constituency
- iii. To determine the influence of the fairness and equity on the effective implementation of constituency development funded school projects in Nyeri town constituency
- iv. To examine the influence of integrity and ethical issues on the effective implementation of constituency development funded school projects in Nyeri town constituency

### **1.4 Research Questions**

This research wanted to answer the following questions of research;

- i. What is the influence of competitiveness on the effective implementation of constituency development funded school projects in Nyeri town constituency?
- ii. What is the influence of transparency in the effective implementation of constituency development funded school projects in Nyeri town constituency?

- iii. To determine the influence of the fairness and equity on the effective implementation of constituency development funded school projects in Nyeri town constituency?
- iv. To examine the influence of integrity and ethical issues on the effective implementation of constituency development funded school projects in Nyeri town constituency?

### **1.5 Significance of the study**

The study's findings will help the management of CDF to identify areas of weakness in procurement during the implementation of CDF projects for the purpose of improvement. The study will provide the national government with information on performance gaps in the procurement process in the CDF projects implementation to rationalize interventions. The findings of the study provide information to policymakers to guide CDF policy development, reform, adaptation and implementation especially in the procurement processes. The study will keep the government updated on the performance of CDF projects to rationalize continued funding. On scholarship the study will form the foundation upon which other related and replicated studies can be based on.

### **1.6 Limitations of the Study**

Not all the targeted respondents responded to the data collection instruments; however, the response rate was good. In addition, the measurements scale was interval scale which had inherent measurement shortcomings in terms of accuracy in measurements.

### **1.7 Scope of the Study**

The study examined public procurement principles and effective implementation of CDF funded school projects within Nyeri Town Constituency. This study focused on four major principles of public procurement namely: competitiveness, transparency, fairness and equity, as well as integrity and ethics and effective implementation the projects. The study was limited to public schools which had benefited from CDF funds between 2013 and 2016 in Nyeri Town Constituency. The study's target population comprised of 18 public schools which benefitted from CDF between 2013 and 2016 represented by 90 PMC (Project Management Committee) members drawn from the said schools, 14 sub chiefs representing the sub-locations which had benefited from CDF in Nyeri Town Constituency. Inclusion of Sub chiefs was to give an independent view regarding project implementation in their respective areas.

## **1.8 Definition of Operational Terms**

**Public procurement Principles:** Framework for managing public procurement requirements: they include: Competition, transparency and openness, fairness and equity, and integrity and ethics.

**Transparency:** It refers to publishing procurement policies; publication of procurement plans in advance; tender notice advertisements; evaluation criteria disclosure; publication of contract award publication and prices paid; establishment of appropriate and timely complaint and dispute mechanisms; implementing conflict of interest and financial disclosure requirements for procurement officials; and publishing supplier sanction lists in CDF projects (UNDP, 2010)

**Fairness and equity:** Fairness is the quality of making judgments that are free from discrimination while Equity is quality of being impartial (COBUILD, 2016). In procurement, they harmonize advancement or protection for persons or groups disadvantaged previously by inequitable competition.

**Integrity and ethics:** Refers to moral values or principles which direct executives in every feature of their job. It includes the honesty concepts, diligence, probity, trust, fairness, consistency and respect (*McGill-Queen's University Press. 2010*).

**Project implementation:** Actual execution of project plans with respect to cost, timelines and quality/performance in order to attain targets (Cherop, 2016).

**Constituency Development Fund (CDF):** Fund designed to support constituency level grass root development project aimed to achieve equitable distribution of development resources ( in form of social amenities, schools, bursaries, hospitals ect) across regions (CDF ACT, 2013).

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

Within this chapter, the hypothetical frameworks that explain the relationship between public procurement principles and implementation of CDF projects as well as empirical studies that have been fronted in this area will be done. Literature was reviewed on competition, transparency and openness, fairness and equity, and integrity and ethical issues, as well as project implementation. A conceptual framework outlining the relationship between variables under study is also presented.

#### **2.2 Theoretical Framework**

The research was guided by institutional theory, stakeholder's theory, legitimacy theory and agency theory.

##### **2.2.1 Institutional Theory**

The institutional theory as framed by Scott in the year 2004. The theory is traced from classical theorists notably; Max Weber and Emile Durkheim in 1950s and 60s (Scott, 2004). They argued that social order in the organization is as a result individual and societal actions guided by sanctions and social regulations. The current perspective of institutional theory based on neo-institutionalism gained prominence from views of US-based sociologists, Meyer and Rowan (1977) and Zucker (1983).

The focus was on cognitive procedures which make the structures of taken-for-granted that determine authenticity around some thoughts. Building on the same views Scott (2004) elaborates that organizations are made up of regulative elements as well as cultural-cognitive that, alongside linked resources and activities give importance to life.

Traxler's (2009) study adapted institutional theory to explain the organizations three pillars as normative, cultural cognitive and regulatory. The pillar of regulatory stresses the utilization of laws, sanctions and rules as a mechanism of enforcement, having experience as a foundation for conformity. The pillar of normative denotes norms (how things ought to be carried out) as well as values (desirable or preferred), social responsibility being the foundation of conformity. The pillar of cultural-cognitive

depends on communal understanding (ordinary symbols, shared understanding, and beliefs).

The institutional theory pillars are captured in Public Procurement Act of 2005 and the new constitution of 2010 in which the norms, practices, expected behavior and conduct in procurement processes in project implementation. (Andrecka, 2016) Moreover, the law provides a legal framework to guide procurement practice in the implementation of projects. Procurement principles are outlined to ensure transparency, accountability of public funds as well as ascertain maximum benefit from government projects through legislations that enhance the principle of competitiveness. The CDF as a government institution is supposed to operate under the auspices of outlined principles outlines in the Public Procurement and asset Disposal Act of 2015 as well as the Kenya Constitution. Institutional theory can therefore be very important when it comes to examining the theory and practice of public procurement principles in CDF in the face of reported mismanagement of CDF project implementation. The theory expounds on the importance of integrity and ethical policies in an organization. From the institution theory point of view, organizations are made up of regulative elements which makes the institution achieve their objectives in harmony. In that regard, schools ethos and integrity policies are very important for the implementation of projects and for the effectiveness as well as transparency of implementation.

### **2.2.2 Stakeholders Theory**

The stakeholder's theory can be traced to the paradigm shift from the traditional view of shareholder capitalism in which managers conducted the affairs of organizations for the interest of the shareholders (Shah & Bhaskar, 2007). The shift placed emphasis on the modern corporate responsibilities towards other stakeholders than simply the owners. Shah and Bhaskar (2007), points out that organizations should group the stakeholders and purposes to manage their needs and/or interests. According to Shah and Bhaskar (2007), organizations should ensure all stakeholders are fully aware of what is happening in organizations and should be part and parcel of decision making to ensure their decisions are fair and adhere to ethical standards which are generally accepted.

This management of stakeholder is believed to be satisfied by the organization managers. The organization managers ought to control the organization to the advantage of its stakeholders so as to guarantee their involvement in decision making as well as their rights. Constituency Development Fund projects have multiple stakeholders; local community suppliers/ contractors, the government, constituency leadership. The management of CDF should be transparent especially in the management of procurement largely perceived to be connected to project implementation effectiveness and in equal measure as an avenue of corruption and project failure. Stakeholders theory can therefore be used to examine the extent of CDF operations are open especially procurement processes considering the stakeholders right to information and decision making (Bundy, Vogel & Zachary, 2017).

The theory emphasizes on the transparency and accountability. Since school projects involves different stakeholders, it is important to maintain transparency in order to ensure that everyone is on board and are aware of their responsibilities. As a result, projects implementation would be a success if every stakeholder is involved towards achieving his or her responsibility.

### **2.2.3 Agency Theory**

Agency theory tries to clarify the association that is present between the principal and the agent (Sobol, 2015). According to this theory, the agent and the principal conflict on a number of areas given that each party has a differing objective. For instance, the principal expects the agent to carry out the responsibilities in accordance with his/her will and thus it's hard to know what the agent is doing. The agent on the other hand while working towards maximization of shareholders' equity deviates to wealth giving functions. This kind of relationship is evident in relationships such as employer and employee, the association of the buyer and the supplier.

Therefore, agency theory is highly adopted and applied in areas where contracting is taking place. It ideally includes conditions where substantial goal differences occur between principal and agent (Sobol, 2015). The theory can be used to explain the relationship between CDF management as the agency and government as the principal. The principal mainly the government provides guidelines to be followed by the CDF management in the implementation of community projects. The procurement principles in the Procurement Act of 2005 and Kenya Constitution provide a philosophical

guideline on procurement. This is aimed at ensuring effective project implementation to achieving the goals of CDF; poverty eradication, share national resources, and encourage citizen participation.

However, as reported in the literature, project failure in most of the constituencies in Kenya and notably Nyeri Town Constituency points at the gap between the expectation of the principal and the performance of the agency. Agency theory was used to explain and understand the extent of the gap between theory and practice based on underlying laid out principles of transparency, fairness and equity and the potential conflict between agency and theory as they pull in different directions.

#### **2.2.4 Legitimacy Theory**

The theory of legitimacy is based on the organizational legitimacy concept. According to Kumar (2015), legitimacy is a status or condition that exists when a value system of an entity is similar with the value system of the bigger social system of which the entity is a part (Guthrie, Cuganesan & Ward, 2006). When an actual, potential or disparity is present between the two systems of value, then there is a danger to the legitimacy of the entity. Theory of legitimacy states that institutions repeatedly seek to make sure that they function within their respective society's norms as well as bounds. It has been noted that theory of legitimacy suggests that the institution is accountable to reveal its activities to the stakeholders, particularly to the public as well as substantiate its subsistence within the society boundaries (Stitzlein, 2016).

According to Cade (2018), this theory that aims at the interaction and relationship between an institution and the society. The theory offers an adequate as well as a better way for understanding how organizations adhere or not adhere to provided laws, principles and practices. The management of CDF just as in the management of other government institutions is supposed to operate within statutory frameworks such as constitutional and Acts of parliamentary for instance the frameworks which provide procurement principles to guide public procurement and project implementation. Legitimacy theory can therefore be used to examine the operations of CDF with a view to understanding how the implementation of projects falls within the legitimate provisions in the statutes and principles of public procurement. In that regard, legitimacy theory clearly allows for competitiveness in the society, which implies that,

if a particular aspect of the project implementation is acceptable and legitimate in the society then anyone who is willing to participate can participate. As such, the theory ascribes to competitiveness of bidding and other project implementation essentials.

## **2.3 Empirical Literature**

Empirical literature was reviewed on studies done in relation to study variables; competition, Transparency and openness, fairness and equity, integrity and ethical issues.

### **2.3.1 Competitiveness in Procurement and Effective Project Implementation**

Healthy competition is argued as the lifeblood of commerce as it ensures the likelihood of efficiency, fairness and innovation (Cave & Frinking, 2003). Moreover, enforcement of competition within the public procurement area brings about healthier as well as cleaner competition for agreements (The Organization for Economic Co-operation and Development [OCED], 2016). According to United Nations Conference on Trade and Development [UNCTAD] (2012), promotion of competition in procurement is steady with the values which notify the regulations on public procurement; that is: procedures transparency as well as publicity, free access to tenders, the quest for resourceful utilization of public funds by requiring earlier definition of the wants to be satisfied, candidates equivalent non-discriminatory treatment, safeguarding free competition and choosing of the best economic offer.

Competition is therefore a regulatory provision for public procurement to ascertain that public sectors and eventually the society in their entirety get the finest offers benefit in relation to quality, innovation as well as price (OECD, 2012). Competitive binding and offering in procurement are key ascertain monetary benefits and product satisfaction. In Kenya the public procurement Act 2005 amended 2016 cites competition as a requirement in law to improve efficiency in project implementation and consequently quality service delivery (ROK, 2016).

Hanak and Petra (2015), carried out a research on the impact of competition on prices within public sector procurement in the Czech Republic. The focus of the study was the competitive environment issue in contracts of public works which was correlated with the bidders' number on a particular tender result. One of the study findings



indicated the high the numbers of applicants for the tender was significantly related to price competitiveness. This means that the more the tender is competitive the more the chance of procuring goods and services at a fairer price. As such, the study recommends that steps should be taken to motivate adequate applicants to take part in tenders to gain prices which are competitive. However, no attempt was made to link competitiveness with project implementation effectiveness. This study intended to not only describe procurement process competitiveness but also examine the effects of competition on project implementation effectiveness.

Another study conducted by the European Public Procurement Centre, reviewed competition in public procurement among member countries between 2004 and 2009. The study was informed of the need to evaluate the competitive dialogue- a legislative public procurement procedure outlined in among EU countries. A key finding from the study linked competitiveness in procurement to obtaining the value of the money, mutual understanding of commercial issues as well as better price discipline (EU, 2010). However, the study found that competition in procurement is facing challenges perceived of time and cost constraints which have created room for single sourcing. There is need to find out how competition in procurement applies to the Kenyan situation considering the policy provision.

Jepchumba, (2016) examined procurement practices influencing project implementation in public sector in Kenya Electricity Generating Company. One of the objectives relevant to the proposed study is competitive supplier selection. A notable finding from that study was that competition in procurement improves performance; reduce costs and conflict of interest. Furthermore, the study found that there exists a weak positive relationship between competitive supplier selection and project implementation. There is need to examine whether the same applies to CDF project implementation. (Bushnell and Chen, 2012) argue that competition is among the neoclassical economics central points and ought to bring about proficient allocation of the resource under the functioning markets condition.

### **2.3.2 Transparency and Effective Project implementation**

Transparency in procurement takes practice in a variety of forms: publishing procurement policies; publication of procurement plans in advance; tender notice

advertisements; evaluation criteria disclosure; publication of contract award publication and prices paid; establishment of appropriate and timely complaint and dispute mechanisms; implementing conflict of interest and financial disclosure requirements for procurement officials; and publishing supplier sanction lists (UNOPS, 2012). According to Transparency International, (2010) lucidity necessitates to permeate each step in the sequence of procurement, from the initial decision-making process by the contracting authority regarding a novel investment or purchase all through the whole process to the contracts awarding as well as implementation and the final phase of accounting as well as auditing. This openness is argued to be critical in promoting integrity and preventing corruption in procurement (EU, 2010). Moreover, transparency is argued to be critical to competition in procurement which is significant to the quality of services and goods as in obtaining the value for money (Meilani, 2017).

In Russia, Federal Law on Public Procurement Law passed in the year 2005 focusing on procurement reform aimed at fighting corruption as well as optimizing spending of government (FGR, 2007). In this respect Podkolzina and Balsevich, (2009) independently examined transparency in public procurement in Russia and noted that 21.4% and 23.2% respectively cited lack of information which undermined competition and consequently the quality of goods and services procured. The study also cited lack of clarity on standardized rules and procedures at local levels.

In Kenya transparency is a procurement principle in procurement regulations of 2005 (RoK, 2005). This law was passed to bring procurement operations in the limelight not only streamline procurement process but more fundamentally to eliminate corruption perceived to be propelled by lack of information. To unravel the confusion there was a need to examine the extent to which has transparency been cascaded in the operation of CDF projects.

Nigeria has had a history of stalled projects due to poor project management skills particularly in procurement which had been dogged with corruption significantly contributed by lack of transparency (Ezekwesili, 2005). As result state governments sought to reform procurement system to overcome the challenge ineffective project implementation. In Kaduna State, Public Procurement Act of Kaduna was passed

to regulate procurement system in which transparency is key principle (KSG, 2007). With a view to evaluating the effectiveness of the law, Muhammad (2015) examined the implementation of the public procurement Act of Kaduna State Government. One of the objectives sought to examine theory and practice of transparency in procurement. A key finding relevant to the proposed study is that 75% of respondents disagreed that the tender board provided information in every stage of procurement. Contract award implementation was mired with confusion and suspicion. As a result, there is need to examine whether the same applies to Kenya. considering that procurement regulation were put in place with transparency as a key principle to increase competitiveness as well as eradicate corruption which dogged procurement system for decades (ROK, 2006). Further, the study examined the extent to which transparency has affected CDF project implementation which has remained largely unexplored.

In Kenya, adoption of Public Procurement and Disposal Act (PPDA), 2005 followed an independent procurement review of RoK and EU which pointed out vital problems in procurement which included the absence of transparency. Schools as public institutions are amongst organizations whose system of procurement were to be regulated. To bring transparency in tendering, teachers and non-teaching staff are now incorporated in the tender committee. In an attempt to evaluate theory and practice in procurement Airo *et al.*, (2014) examined challenges in attaining accountability as well as transparency in procedures of public procurement within secondary schools Vihiga County, Sabatia Sub-county. This study revealed that external factors contributed significantly to the challenges transparency and consideration. However, no attempt was made to examine how transparency challenges may affect project implementation. There was a need to examine the relationship between transparency and openness and in CDF project implementation considering that most CDF projects are in public schools under the new constitutional dispensation.

### **2.3.3 Fairness and Equity, and Effective Project Implementation**

Fairness and equity is a salient component of procurement system in America (Dekel, 2010). It is the fundamental principle in EU procurement Law (EC, 2010) while in the UK it is considered as the means to provide fair access to public money (UK,1995). In South Africa, subsection 217 of the constitution (RSA,1996) sets out

five constitutional principles among them fairness, equity in procurement. The South African constitution therefore recognizes public procurement as a tool to encourage policy and social aims via, for instance, encouraging the formerly disadvantaged groups' development (Brooks, 2017).

Similarly, in Kenya Article 227 of the Kenyan constitution visualizes public procurement of services and goods to be equitable, just, transparent, cost-effective, and competitive which harmonizes advancement or protection for persons or groups formerly disadvantaged by inequitable competition. Moreover, the Kenyan Government passed the Public Disposal and procurement set of laws 2011 and most recently Public Procurement and Asset Disposal Act of 2015 that, amongst others, did a regulation of the inclusion of underprivileged enterprises owned by women, groups, persons with disabilities as well as youth (ROK, 2016).

In America, (Bates, Bradford & Jackson, 2017) examined social equity in public procurement in California. The study sought to evaluate equity and fairness in awarding of contracts following adoption of Procurement Federal Law (Short, 2006). The law seeks to standardize supplier equity program for local businesses and previously underutilized businesses including Disadvantaged Business Enterprises, Women and Minority-Owned Business Enterprises, Disabled Veteran Owned Businesses and Gay, Lesbian, Bisexual, and Transgender Owned Businesses. Notable findings are the gap between theory and practice. There is lack of opportunity for small and marginalized businesses, including those owned by minorities, women and people with disabilities. Just like in the USA, Kenya's procurement regulations of 2013 and PPADA, 2015 is very particular on the reservation of at least 30 percent of government procurement opportunities for enterprises owned by; people with disabilities, women and youth. There is need to examine how the provisions for fairness and equity on public procurement are practiced in CDF projects especially in view of the fact that CDF projects are carried at local and community levels.

In South Africa, (Kramer, 2017) examined a review of the implementation of government procurement policy since the adoption of the new constitution following attainment of independence in 1994. One of the study's objectives applicable to the

proposed is an assessment of equity and fairness in procurement. The findings revealed a disconnect between theory and practice on how the policy of public procurement is implemented to achieve the objective of good governance. Particularly, the envisaged fairness and equity aimed at addressing the historical injustices which discriminated African firms from business has not been satisfactorily implemented. The results demonstrate that the cause of this state of affairs is a lack of understanding of what is composed in procurement system that complies with the requirements of Section 217(1) of South Africa's Constitution. However, the study was qualitative in nature and consequently inferences could not be made for the purposes of generalizations. According to Mugenda and Mugenda, (2003) lack of generalizations is the major limitation of qualitative studies, a concern that was addressed in the current study through quantitative analysis.

Kinoti and Doorgapersad, (2015) analyzed gender-based public procurement practices. The study notes that in Kenya affirmative action in which 30% of tenders is reserved for women, youth and PWDs has enabled women to access business worth Kshs. 191 billion annually. However, in South Africa the aspect of the gender of the DPW Strategic Plan 2012 to 2016 only incorporates "people with disabilities" which limits the participation of women without disabilities as they may not favorably compete with men (RSA,2011). Of importance to note is that this study only focused on gender despite procurement policy provisions for women, youth and the marginalized. To close this gap, the current study examined fairness and equity in procurement in relation to policy provision on the reservation of tenders for women, youth and marginalized. Moreover, the study provides real-time status of events as concerning fairness and equity in procurement and its effect on CDF project implementation.

#### **2.3.4 Integrity and Ethics and Effective Project Implementation**

Badenhorst, (2006) define Integrity and ethics to be the ethical values or principles which direct executives in every aspect of their job. It includes the honesty concepts, probity, integrity, fairness, diligence, trust, consistency and respect. According to Ngugi and Mugo, (2011) ethics and integrity is an important public procurement as it entails the public money expenditure, and is caused to undergo the scrutiny of the

public. As results public executives ought to at all times behave fairly as well as ethically, comprising in their undertakings of business.

Amos and Weathington, (2008) point out that moral behavior gives support to accountability as well as openness in a process of procurement and provide confidence of suppliers to take part in the marketplace of the government. They add that moral behavior could as well decrease the expenditure of managing threats linked with corruption, theft, fraud, and additional inappropriate behavior to improve confidence in public management.

In Australia, the Procurement and Construction Council (APCC) came up with a ethics code in partnership with the labor advisory Committee department (APCC, 1997). Concerns about unethical practices in procurement prompted Kerry and Phoebe (2006) to carry out a study on ethical behavior in the construction of procurement process. The study originally began to aim at the design of a number of ethical procurement rules for implementation and uptake by chief procurers, together with contractors as well as clients of government within the industry of construction and building. A qualitative survey was done in which workshops were conducted in Brisbane, Sydney, and Melbourne. Among notable findings is the different understanding of ethical behavior, evident unethical behavior and lack of effective ethical behavior tracking. However, a qualitative study, the approach was limited in relations to the examination of relationships. This study was quantitative to and examined the significance of integrity and ethical practices on project implementation.

Magaya and Chidhawu, (2016) assessed promotion as well as maintenance of promotional ethics in systems of public procurement in Zimbabwe. This research was prompted by the reported professional abuse in the procurement processes in Zimbabwe especially since the year 2000. The collection of data was done from both secondary and primary sources. The collection of primary data was done using interviews and questionnaires. The study was prompted by reports of loss US2 billion in 2012 alone (Musanzikwa, 2013). Among the notable findings in rampant corruption in the procurement systems mainly propelled by political patronage and economic strains and poor salary pay as well as lack knowledge on procurement.

In Kenya, a study carried out by IPSOS (2014) noted endemic corruption in CDF projects which has been orchestrated by political patronage as CDF is managed by members of parliaments. There was need examine to what extent unethical practices occur in the management of CDF projects in Nyeri Constituency considering the reports on poor project implementation.

Akech (2015) carried out an experiential analysis of the hindrances process of derailing procurement within Kenyan public Institutions. The study was informed by the need to evaluate procurement process following adoption of new procurement laws in 2005 (RoK, 2005). Notable obstacle derailing procurement in public Institutions was lack of integrity among suppliers and professional misconduct among procurement officers. Similarly, Onyango and Were, (2014) examined the perception of regulation on procurement process of devolved county governments of Kajiado County. The study found that ethics, ICT adoption, procurement operation and accountability affected procurement processes to a great extent. However, none of the above studies examined procurement principles in totality in which ethics and integrity are studied alongside principle of transparency and openness, fairness and equity, competition and value for money as outlined in the procurement regulations of 2013.

### **2.3.5 Constituency Development Fund Project Implementation**

The CDF project was instituted under the CDF Act 2003 having the fundamental authorization of bringing growth to the people at the lowest levels in the shortest period of time possible. It is among the decentralized finances from the national government. Its principal objective is to manage inequalities within the development of regions via equalization funds provision founded on population (45%), Fiscal Responsibility (2%), land acre rage (8%), poverty index (20%), Basic equal share of 25% (ROK, 2013).The CDF draws its source from ordinary government revenue from gathering Value Added Tax (VAT) on clothes and books, food items, constitutional deductions for instance Pay As You Earn (PAYE), Tax withholding from processed goods, exports as well as imports. The CDF includes yearly budgetary allotment equal to 2.5 percent of the usual revenue of the government (Adan, 2012).

During 2013, the Act of CDF A (as revised in the year 2007) was revoked and substituted with CDF Act 2013 having an objective of lining up the Act to the main code provisions of the Kenyan Constitution (2010). This is upon the realization that procurement has a major stake in project implementation effectiveness as to the guarantee of rights enshrined in the constitution. Consequently, in line with the constitution the public procurement regulations of 2013 outline five procurement principles, transparency competitiveness, fairness and equity, value for money and ethics and integrity. This was especially to ensure among other things quality of projects and timeliness in completion of projects. However, researches carried out by the industry as well as academia together with researches by Mckinsey in partnership with the Oxford University, Mckinsey Quarterly, (2012) and the 2000 to 2011 CHAOS report (Standish Group, 2000 to 2011) validate elevated rates of project failures as well as challenges. Similarly, reports by EACC, (2012); National Taxpayers Association (2014); and IPSOS Survey (2014) indicate CDF project failures.

Efficient implementation of projects could be measured based on cost, quality (performance) and time normally referred as the triple constraint (Brown & Hyer, 2010). The mentioned three factors signify the Key Performance Indicators (KPIs). For one to determine if a project has been implemented effectively, otherwise better still, whether a given project has been victorious, an individual has to revisit the original project objectives of cost, quality (performance) and time and be capable to measure the degree of their attainment. According to Ika *et al.*, (2011) a project that is successful has to be within budget, completed on time, as well as deliver quality (functions and features). Something below that will be either a challenging project or a failed project. Therefore the visualized original project time, project quality and project costs are the three essential foundations for effectiveness measurement of all public projects. Implementation regards conversion of a tactical plan into deed as well as doing what necessitates to be done to attain the planned strategic objectives and goals (Ika, 2012). In view of the challenge of effective project implementation, many countries across the globe have enacted procurement principles to guide implementation of projects so that competition and fairness and equity, value for money, transparency and accountability and integrity and ethics can be ascertained (EU, 2014).



## **2.4 Critique of Reviewed Literature**

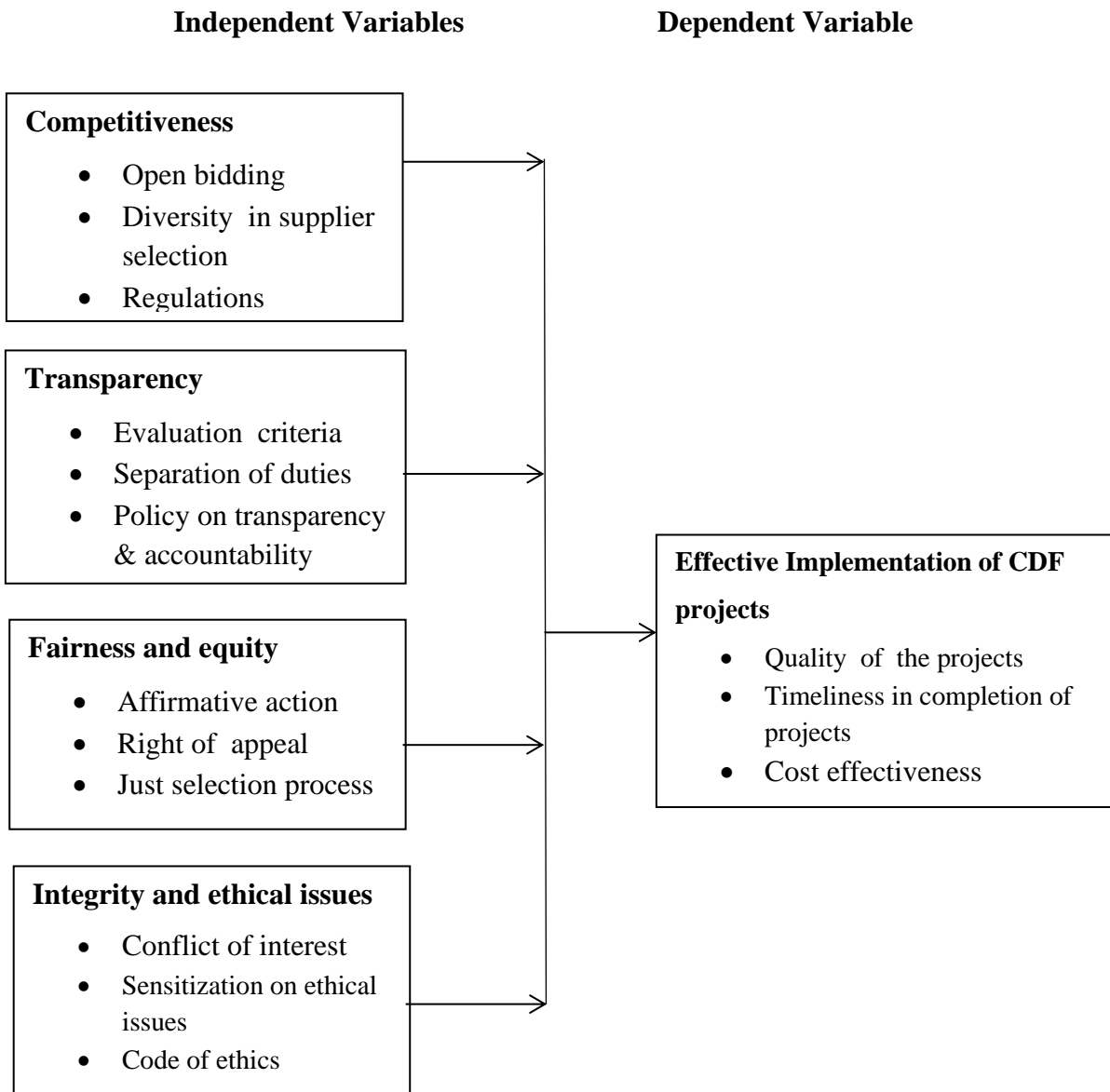
Available literature both local and international acknowledges the importance of procurement principles in project implementation. However, research available especially in Kenya, for example, Ngugi and Mugo (2013); Onyango and Were (2014); Airo *et al.*, (2014); and (Kramer, 2017) have focused on one, two or at most three principles of procurement out of the four namely; competition, fairness and equity, integrity and ethics and transparency. The study examined four principles in relation to project implementation. Further, despite reported CDF projects failure in Nyeri Town Constituency by KNAO, (2014) and IPSOS Survey, (2014) the relationship between procurement and project implementation has not received adequate attention.

## **2.5 Research Gaps to be Filled by the Study**

It has been argued that the conventional regulatory and current procurement legal framework in Kenyan has strengthened public procurement system. It is still apparent that the principles of procurement need to be more pronounced to have a significant impact in transforming public procurement (Argyrou, 2017). The principles guiding procurement process as outlined in the new constitution and Public Procurement regulations of 2013, have not received adequate attention from scholars and there exist a gap in knowledge in explaining the effects of competitiveness, transparency, fairness, and integrity in effective implementation of CDF funded project. This study sought to fill this gap by explaining how these procurement principles can be applied to enhance effectiveness in project implementation by enhancing the quality of work done, ensure projects are completed as scheduled and within budgets.

## **2.6 Conceptual Framework**

A conceptual framework is defined as relationship conceptualization among study variables represented diagrammatically (Mugenda & Mugenda, 2003). The framework also indicates the direction of relationship as well as the independent variable effect on the dependent variable. In this study, independent variables were competition; transparency and openness, fairness and equity as well as integrity and ethical issues. These variables were as adapted from literature review. The impact of these variables was examined on the CDF projects implementation- the dependent variable.



**Figure 2.1: Conceptual Framework**

### 2.7 Summary of Literature

The literature available identifies procurement principles as critical recommendations by international bodies and Organizations such as World Bank and OECD European Union as economic for effective procurement. Consequently, the literature reviewed indicates that countries such as America, EU members, Ghana and Kenya have statutory provisions on public procurement principles mainly to guide procurement processes in for effective project implementation. However, the literature available indicates the gap between theory and practice as procurement principles are hardly

adhered to. Secondly, the literature available on evaluation of public procurement principles in project implementation has been limited to few principles. Literature focused on entire public procurement principles and effective project implementation is not inadequate, a gap this study intends to fill.

## **CHAPTER THREE: RESEARCH METHODOLOGY**

### **3.1 Introduction**

The chapter outlines design of research, the target population, sample and sampling procedure, data collection tools, validity as well as reliability. It also discusses the data collection procedures, data analysis techniques as well as ethical issues.

### **3.2 Research Design**

The research assumed a descriptive survey design. According to Orodho, (2009) the design is utilized to gather data regarding opinions, habits and attitudes of people or any of the several social matters. The descriptive survey design enables the investigator to gather information from a comparatively big cases number at a given period of time (Mugenda & Mugenda, 2003). Descriptive surveys as well allow collection of data in which opinions concerning the current status of events in a phenomenon are sought for generalizations (Oso & Onen, 2009). The design allowed collection of data concerning application of procurement principles in the management of CDF projects implemented in Nyeri Town Constituency.

### **3.3 Target Population**

The study's target population comprised of 18 public (8 secondary schools and 10 primary schools) which had benefited from CDF in Nyeri Town Constituency from financial years 2013 to 2016 (CDF Office, 2017). Despite other CDF projects, schools projects stand out because they touch the critical need of community which is education and therefore are subject to vigilance. They also carry a large amount of money in comparison to other CDF projects. Since the schools projects involve many stakeholders, the procurement process may be affected by various factors and procurement principles, hence the choice of school projects. The 18 public schools were represented by 90 Project Management Committee (PMC) members. From each of the schools, five members of the PMC were considered out of which 50 PMC members were from primary school and 40 PMC members from secondary schools, The PMC members were the units of observations possessing crucial first hand and pertinent information in regard to CDF projects implemented in schools while the schools were the study units of analysis.

Additionally, the study considered the 14 Sub-chiefs in Nyeri town constituency to give independent views regarding CDF projects initiated within their area. Their role in the study was to give in-depth insight on the projects being the National Government's representatives at the lowest level. They have a lot of information and have a general view of the projects in their area of jurisdiction.

The table below show the units of observation who were the respondents drawn from the 18 schools. The reason for selecting the population in strata is because their ability to ensure presence of key specific subgroup within the sample.

**Table 3.1: Units of Observations**

<b>Strata</b>	<b>Primary School</b>	<b>Secondary School</b>	<b>Population</b>
CDF office	10	8	18
School principle	10	8	18
Teacher representative	10	8	18
Parents Association	10	8	18
School BOM	10	8	18
<b>Sub-total</b>	<b>50</b>	<b>40</b>	<b>90</b>
Sub-chiefs	-	-	14
<b>Total</b>	<b>50</b>	<b>40</b>	<b>104</b>

Table 3.2 below shows the units of analysis which incorporate 18 schools from Nyeri Town Constituency which benefited from CDF. These schools were selected because they had benefited from CDF and had projects which are ongoing or completed.

**Table 3.2 Units of Analysis**

<b>Strata</b>	<b>No. of Schools</b>	<b>Percentage</b>
Public Secondary Schools	8	44.4
Public primary Schools	10	55.6
<b>Total</b>	<b>18</b>	<b>100</b>

### **3.4 Sample Size and Procedure of sampling**

Sampling refers to the procedure of choosing several items for a research in such a manner that the items chosen signify the whole group from which the items were chosen

(Orodho, 2009). A census was used to 104 respondents who made up the target population which included 90 PMC members and 14 sub-chiefs. According to Latham, (2007) census is particularly useful when target population is not large enough to be sampled. Therefore, the study's target population constitutes size of the sample.

### **3.5 Instruments of Data Collection**

The collection of data was done by use of questionnaires as well as interviews. The questionnaires were given to all the PMC members. The technique of questionnaire was chosen since it covers a broad range of regional as well gets to numerous respondents at a cheaper price (Mugenda & Mugenda, 2003). The questionnaire items were close-ended. Closed-ended items are preferred because they easily guide the respondents as they only have to tick from the multiple choices given. They allowed easier coding of data. The technique of drop and pick was utilized for collection of data using questionnaire while appointments were sought with the sub-chiefs for a face to face interview.

Additionally, interviews were conducted to sub-chiefs who participated in the study as general view informants. Tollefson (2016) advocates use of interviews where in-depth and broad view of respondents is being sought.

### **3.6 Pilot Study**

Piloting means testing instruments of study on respondents who will not participate in the real research. This pretesting is done so as to improve the validity as well as reliability of the instruments. The instrument content, sequence, meaning and ambiguity are checked, and, any weakness detected is corrected. In this study, one public secondary school and one public primary school were selected randomly from schools which had benefited from CDF in Nyeri Town Constituency. Each school provided 5 members of PMC resulting to a total of 10 PMC members and 10 questionnaires were administered. Since the study unit of analysis was 18 schools from Nyeri town constituency, the two schools represented 11% of schools under study which exceeded 1-10%, the minimum recommended for pilot sample (Mugenda & Mugenda, 2003). The schools selected for the pilot study were not included in the final sample.

### **3.6.1 Instruments Validity**

According to Kothari (2004), validity refers to the degree to which the test measures whatever it's thought to measure. To improve validity, the questionnaires were designed in a simple; easy to understand language. An individual is supposed to render an intelligent judgment about the accuracy of the instruments before the actual research. The research instruments validity was improved through expert's judgment and review by peers.

### **3.6.2 Reliability of Instruments**

This is a measure of extent to which an instrument of study yields steady outcomes after repetitive tests (Kothari, 2004). Test of reliability was done using internal consistency test by use of Cronbach alpha. This technique was the most suitable since it required a single running of the instrument and was utilized to study the relationship amongst every item measuring all variables (Fraenkel & Warren, 2003). A coefficient of reliability was calculated to show how dependable the data was. A reliability coefficient of 0.7 was considered sufficient in the study. Tiku and Pecht, (2010) recommends an alpha coefficient of 0.7 or more to give reliable results. The results of the reliability test are as indicated in table 4.2

### **3.7 Data Collection Procedure**

Authorization was sought from Nyeri Central Sub-County Education Office to be able to visit schools that had CDF funded projects. Distribution of questionnaires to respondents was done by the researcher. Appropriate time for the interview was planned in consultation with the target respondents.

### **3.8 Data Analysis and Presentation**

Data analysis refers to examining what has been collected in a case study, survey or experiment and making deductions and inferences out of the collected data. It entails separation of data into constituent elements and examination of the data to distinguish its component parts separately and in relation to the whole (Kombo & Tromp, 2011). This is reducing the raw data from the fields into interpretable form. Raw data collected from the field should be checked, cleaned and coded. Analysis of qualitative data was done by context. Quantitative data was summarized using descriptive statistics mainly

the means while Pearson correlation, simple and multi regression were used to measure relationships' direction and strength as well as the fitness of the model. The regression model used as follows:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon$$

Y = Project implementation

$\beta_0$  = Constant

$\beta_1$  = Beta coefficients

$\beta_2$ = Beta coefficients

$\beta_3$  = Beta coefficients

$\beta_4$ = Beta coefficients

X1= Competition

X2= Transparency and openness

X3= Fairness and Equity

X4=Integrity and Ethics

$\varepsilon$  = error term

After data analysis, findings were presented in tables of means, correlations and ANOVA.

### **3.9 Ethical Considerations**

The researcher sought authorization from the Sub-County Education Office (Nyeri Central Sub-county) to visit schools and administer questionnaires. Appointments were secured with the sub-chiefs prior to conducting the interviews. The investigator got informed consent from the participants involved in the research and informed them that their participation is voluntary. The respondents' identity remained anonymous and all information given by the respondents was treated with confidence.



## CHAPTER FOUR

### RESEARCH FINDINGS AND DISCUSSION

#### 4.1 Introduction

This chapter outlines information on the study findings by use of inferential and descriptive statistics and qualitative data. The statistical results gathered by the use of questionnaires administered to respondents in Nyeri Town Constituency where the researcher main objective was to examine public procurement principles and effective implementation of constituency development funded school projects in Nyeri town constituency. In addition, an interview was conducted to gather insight information on implementation effectiveness of constituency development fund projects. Presentation of results was done in form of frequency tables and their implications explained. Multiple regression and bivariate linear analysis were utilized to establish the extent of the association between the independent and dependent variables.

#### 4.2 Results of Pilot Studies

The questionnaire reliability was analyzed by use of Cronbach's alpha. A coefficient of 0.7 was considered sufficient in the proposed study. Pilot test of this study gave the values of alpha of every variable which were more than 0.70 as shown in Table 4.2.

**Table 4.2: Reliability Test Results**

<b>Variables</b>	<b>No. of items</b>	<b>Cronbach's Alpha values</b>
Implementation effectiveness	3	0.746
Competitiveness	5	0.735
Transparency	5	0.86
Fairness and equity	5	0.725
Integrity and ethical issues	5	0.858
Corrected-item total correlation	No. of items	Coefficient
Implementation effectiveness	5	0.782
Competiveness	5	0.672
Transparency	5	0.432
Fairness equity	5	0.334
Integrity	5	0.432
Cronbach's Alpha if Item is deleted	No of items	Coefficients
Implementation effectiveness	5	0.83
Competiveness	5	0.711
Transparency	5	0.723
Fairness equity	5	0.783
Integrity	5	0.742

Implementation effectiveness of CDF projects had alpha of 0.746, competitiveness had 0.735, transparency had 0.860, fairness and equity had 0.725 and integrity and ethical issues had 0.858. This signifies strong internal reliability amongst variable which is above the 0.3 threshold recommended by Tabachnick and Fidel (1996). The cronbach alpha if item deleted lies between 0.711 and 0.83 which is slightly above the overall alpha of 0.7. From the above data the scale adopted for the study was reliable. items measures. This indicates that the instrument of data gathering was thus dependable as well as suitable for the study objectives. The corrected-item correlation lies between 0.334 and 0.782 which is above the 0.3 threshold recommended by Tabachnick and Fidel (1996). The cronbach alpha if item deleted lies between 0.711 and 0.83 which is slightly above the overall alpha of 0.7. From the above data the scale adopted for the study was reliable. Additionally, the instruments were given to two experts to make their judgement. The study was rendered valid after the two experts approved that the questions asked would measure the study objectives.

#### **4.3 Response rate**

Out of the 90 respondents involved in this study, 79 of them responded to the questionnaires representing a response rate of 87.8%. The interview was undertaken on eleven (11) sub chiefs out of the fourteen (14) targeted to give the researcher a deeper understanding. A response rate of 50% and above is adequate to draw meaningful conclusion (Mugenda & Mugenda, 2003). This was adequate enough to establish the study phenomenon.

**Table 4.1: Results for Response Rate**

	<b>Targeted</b>	<b>Returned</b>
Numbers	90	79
<b>Percentage (%)</b>	<b>100</b>	<b>87.8%</b>

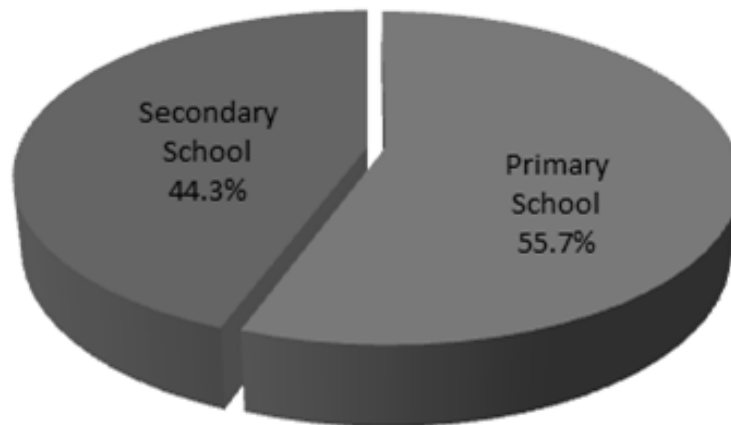
#### **4.4. Demographic Findings**

In this segment the demographic respondents' characteristic are discussed as follows:

##### **4.4.1 Category of the School**

The respondents were questioned to specify the category of the school they represent. Figure 4.1 indicate that 44.3% of the respondents represent secondary schools and

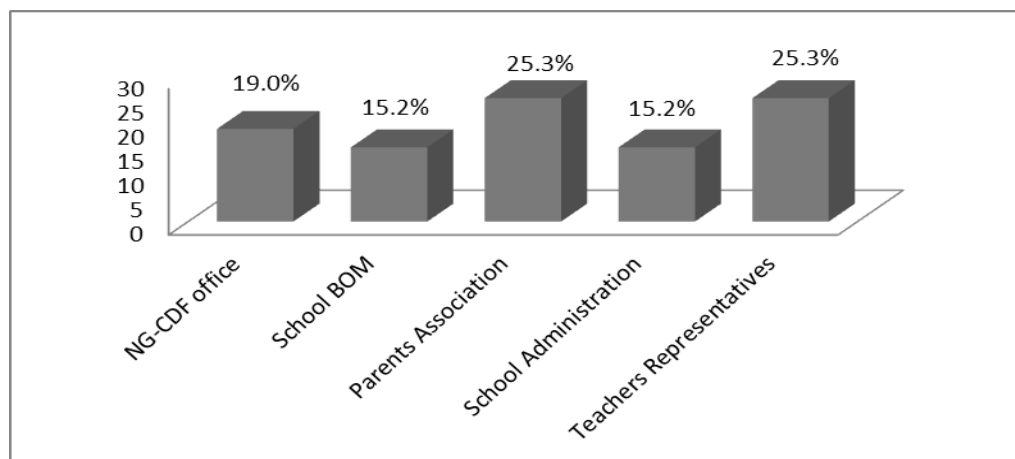
55.7% represent primary schools. The findings indicate that the respondents were well spread across primary and secondary schools in Nyeri Town Constituency.



**Figure 4.1: Category of the School**

#### 4.4.2 Category of PMC

The study sought to establish the membership of PMC. Figure 4.2 presents the analysis on the representation of PMC members which indicated that 19.0% were CDF office, 15.2% were school BOM, 25.3% were parent association, 15.2% were school administration while 25.3% were teachers' representatives. This implied that all the representation of PMC members was fairly represented in this study.

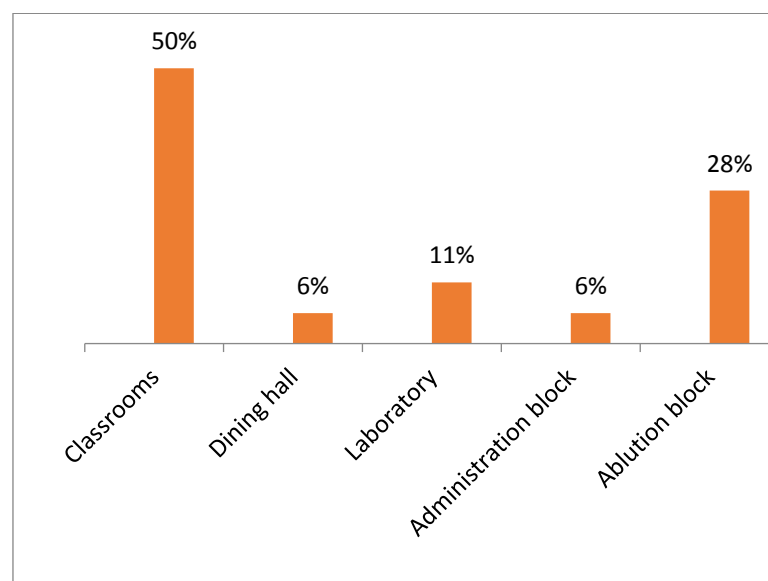


**Membership of PMC**

**Figure 4.3: Category of PMC**

#### 4.4.3 CDF project implemented

The study sought to establish CDF projects implemented between 2013 and 2016. As shown in Figure 4.4, the highest number of CDF projects implemented between 2013 and 2016 were classrooms which accounted for 50% in 9 schools, followed by ablution block with 28% which was implemented in 5 schools, then laboratory with 11% built in 2 schools. Dining hall and administration block implementation was 6% each. This implies that for the last four years the main focus in primary and secondary schools was to build classrooms and ablution blocks. This may be associated with the government initiative towards free primary education and 100% transition from primary to secondary schools as classrooms and ablution blocks are the basic infrastructure appropriate to actualize the government policy.



**Figure 4.4: CDF project implemented**

#### 4.5 Descriptive Analysis

The study conducted descriptive analysis for the study's independent and dependent variables.

##### 4.5.1 Descriptive Analysis for Competitiveness

The study's first objective sought to establish the competitiveness influence on the constituency development fund projects implementation by schools within Nyeri Town Constituency. Descriptive statistics were done to determine the effect of various factors of competitiveness. The findings in Table 4.3 show that majority of the schools agreed

that competitiveness in procurement process influences the cost, quality and completion time in CDF projects implementation with a mean score of 4.18 and a standard deviation of 0.62. Bids being open to all interested and eligible bidders and advertisement done to create awareness of available opportunities had mean score of 4.31 and a standard deviation of 0.83 implying that the schools encouraged bidding. The study additionally revealed that high number of bidders leads to price competitiveness hence more bidders are encouraged to bid with a mean score of 3.81 and a standard deviation of 0.863.

Availability of regulation on minimum number of bidders depending on the method of procurement had a mean score of 4.23 and a standard deviation of 0.67 indicated that schools had put in place bidding regulations with regard to procurement method. This implies that a high number of bidders led to price competitiveness hence more bidders are encouraged to bid.

The supplier diversity reservations are done to the disadvantaged groups (Youth, Women and PWDs) had a mean score of 3.22 and a standard deviation of 1.68 implying that schools were divided on supplier diversity reservations. This is also reflected in minimum and maximum values of 1.2 and 5 respectively showing that some of the schools were keen on supplier diversity reservations while some of the schools were very keen on the same. The research revealed that bids are open to all interested and eligible parties and advertisement is done to create awareness of available opportunities and deliberate effort is made to ensure supplier diversity reservations are done to the disadvantaged groups (Youth, Women and PWDs).

Moreover, the interview results indicated that competitiveness is done by creating awareness of the project to be undertaken by making announcements in churches, using public barazas, circulating notices, fixing adverts at chiefs and sub-chiefs office and placing advert in local newspaper. The indication is that the schools are able to inform the potential bidders to participate hence making the process competitive. Cave and Frinking, (2003) noted that healthy competition is argued as the lifeblood of commerce as it ensures the likelihood of efficiency, fairness and innovation. Further, the interview results revealed that most of the time special groups such as women and youth are

awarded tenders of small values. This may be attributed to the financing requirement where they find it a challenge to access funds to finance big projects.

**Table 4.3: Descriptive Analysis for Competitiveness**

	N	Mean	Std.	Min	Max
Bids are open to all interested and eligible parties and advertisement is done to create awareness of available opportunities	18	4.3111	0.837	2.8	5
A high number of bidders leads to price competitiveness hence more competitors are encouraged to bid	18	4.2667	0.671	3.2	5
To ensure supplier diversity reservations are done to the disadvantaged groups( Youth, Women and PWDs)	18	3.2222	0.728	3	5
Competitiveness in procurement process influences the cost, quality and completion time in implementation of CDF projects	18	4.1778	0.782	3	5

#### 4.5.2 Descriptive Analysis for Transparency

The study's second objective sought to determine the transparency influence on implementation of constituency development fund projects within Nyeri Town Constituency. Table 4.4 presents the analysis for transparency on implementation of constituency development fund projects. Transparency in procurement process is key to implementation of CDF Projects having a mean score of 4.23 and a standard deviation of 0.68.

The mean score of 4.45 and a standard deviation of 0.76 indicated that schools conducted documentation of the entire procurement process is done and is open to scrutiny by relevant government agencies. Separation of duties at various stages of procurement being done to enhance transparency had a mean score of 4.11 and a standard deviation of 0.75 showing that schools conducted division and specification of skills and labor. Availability of policy in place to guide on transparency and accountability had a mean score of 3.03 and a standard deviation of 1.01 showing a huge spread. This huge spread implies that some schools had policies in place to guide on transparency and accountability while others had no policies to guide on transparency and accountability. Tender evaluation criteria is predetermined and availed in advance to all interested bidders and had a mean score of 2.83 and a standard deviation of 1.02. This indicated that most schools don't have a framework for tender evaluation criteria or they don't advance it to all interested bidders, however, with

standard deviation of 1.02, it shows that some schools have the framework in place for evaluation criteria.

In addition, the interview results revealed that institutions are required to give reports to various ministries on the progress and the status of the ongoing projects. This has enhanced transparency since such information should be in the public domain. The process was considered transparent as it is open for public scrutiny. The results of the study that documentation of the entire procurement process is done and is open to scrutiny by relevant government agencies and there is separation of duties at various stages of procurement is in accordance with Transparency International (2010), they opined that transparency necessitates to permeate each step in the sequence of procurement, from the initial decision making process by the contracting body regarding a new investment or purchase all through the whole process to the contracts' awarding as well as implementation and the final phase of accounting as well as auditing phase. This openness is argued to be critical in promoting integrity and preventing corruption in procurement (EU, 2010). Moreover, transparency is argued to be critical to competition in procurement which is significant to quality of services and goods and in obtaining value for money.

**Table 4.4: Descriptive Analysis for Transparency**

	<b>N</b>	<b>Mean</b>	<b>Std.</b>	<b>Min</b>	<b>Max</b>
Tender evaluation criteria is predetermined and availed in advance to all interested bidders	18	2.83	0.75848	2.8	5
Separation of duties at various stages of procurement is done to enhance transparency.	18	4.1	1.01	1	5
There is a policy in place to guide on transparency and accountability.	18	3.01	0.7556	2.8	4.8
Documentation of the entire procurement process is done and is open to scrutiny by relevant government agencies.	18	4.55	0.68685	3	5
Transparency in procurement process is key to implementation of CDF Projects	18	4.23	1.02	1.8	5

#### **4.5.3 Descriptive Analysis for Fairness and equity**

The study's third objective wanted to determine the fairness and equity influence on the constituency development fund projects implementation within Nyeri Town Constituency. Descriptive statistics were done to determine the effect of various factors

of fairness and equity. As shown Table 4.5 a mean score of 4.59 and a standard deviation of 0.59 showed that schools believed that selection of suppliers greatly affects the implementation of the CDF projects. Additionally, mean score of 3.75 and a standard deviation of 0.71 indicated that schools formulated and applied standardized and objective evaluation criterion without bias to promote fairness with a. Further, a mean score of 3.61 and a standard deviation of 0.79 indicated that schools allowed bidders under the same category compete at a level play-ground. The results revealed that schools practiced independence of various committees taking part in the process of procurement promotes just treatment to all bidders with a mean score of 3.49 and a standard deviation of 0.60. Also, a mean score of 2.8 and a standard deviation of 0.95 implies that schools provides channels to seek justice in case of unfair treatment in tendering. From the study findings, it is evident that standardized and objective evaluation criteria is formulated and applied without bias to promote fairness where bidders under the same category compete at a level playground.

However there are no clear channels provided to seek justice in case of unfair treatment in tendering. Article 227 of the Kenyan constitution (RoK, 2010) visualizes public procurement of services as well as goods to be equitable, just, cost effective, competitive, and transparent and that harmonizes advancement or protection for persons or groups formerly underprivileged by inequitable competition. It ensures that fairness and equity is a fundamental principle in procurement. Based on the interview response the awarding of tender was found to be fair as the minimum requirement indicated must be complied with when allocating tenders. The respondents indicated that they had not witnessed any case of favoritism though they had a feeling that local people were not given a priority. This could be attributed to the limitation in capacity and apathy believing that such are for well-established contractors.



**Table 4.5: Descriptive Analysis for Fairness and Equity**

	N	Mean	Std.	Min	Max
Bidders under the same category compete at a level play ground	18	3.61	0.95	2.82	5.00
Channels are provided to seek justice in case of unfair treatment in tendering	18	2.8	0.63	1.67	3.8
Independence of various committees involved in the procurement process promotes fair treatment to all bidders	18	3.49	0.71	2.83	4.80
Standardized and objective evaluation criteria is formulated and applied without bias to promote fairness.	18	3.75	0.59	3.00	5.00
Fairness in selection of suppliers greatly affect the implementation of the NG-CDF projects	18	4.59	0.79	1.81	4.00

#### 4.5.4 Descriptive Analysis for Integrity and Ethical Issues

Objective four of the study examined how integrity and ethical issues influence CDF projects implementation within Nyeri Town Constituency. Descriptive statistics were done to determine how schools' integrity and ethics influenced CDF project implementations.

Findings in Table 4.6 shows a mean score of 4.39 and a standard deviation of 0.59 which implies that schools' lack of integrity and unethical practices in procurement processes hampers effective implementation of CDF project. A mean score of 4.14 and a standard deviation of 0.86 implies that CDF has developed a code of ethics to curb unethical practices in the procurement process which impose stiff penalties to offenders, both the schools and the bidders. Schools' tender processing committee members disclose any conflict of interest and withdraws from the committee to give the process credibility recorded a mean score of 3.67 and a standard deviation of 0.69. A mean score of 3.65 and a standard deviation of 0.62 revealed that schools' sensitizes on ethical issue in procurement is conducted to PMC members to enhance integrity in project management and implementation. A mean score of 3.46 and a standard deviation of 0.75 revealed that some schools disqualified suppliers and contractors engaging in unethical practices and bars them from future engagements with the procuring entity. Moreover, on the issue of integrity the interview results revealed that the respondent had not received complaint on issues pertaining integrity. The officers

acted with integrity as they were guided by the law requiring officers to operate with integrity all the time.

The study therefore revealed that CDF has put in place measures to curb unethical practices in the procurement process which impose stiff penalties to offenders. To that extent tender processing committee members are required to disclose any conflict of interest and withdraw from the Committee to give the process credibility. Sensitization on ethical issue in procurement is also conducted to PMC members to enhance integrity in project management and implementation where it is made clear that suppliers/contractors engaging in unethical practices may be disqualified and barred from future engagements with the procuring entity. Amos and Weathington, (2008) points out that moral behavior encourage accountability as well as openness within a process of procurement as well as provide suppliers assurance to take part in the marketplace of government. They add that moral behavior could as well decrease the expenditure of controlling risks linked to corruption, theft, fraud and additional unacceptable behavior to improve assurance within public organization.

**Table 4.6: Descriptive Analysis for Integrity and Ethical Issues**

	<b>N</b>	<b>Mean</b>	<b>Std.</b>	<b>Min</b>	<b>Max</b>
Tender Processing Committee members disclose any conflict of interest and withdraws from the Committee to give the process credibility	18	3.67	0.62	2.8	5.00
Sensitization on ethical issue in procurement is conducted to PMC members to enhance integrity in project management and implementation	18	3.65	0.86	2.8	3.80
CDF has put in place measures to curb unethical practices in the procurement process which impose stiff penalties to offenders	18	3.49	0.75	2.8	4.80
Suppliers/ contractors engaging in unethical practices are disqualified and barred from future engagements with the procuring entity	18	3.46	0.59	3.2	5.00
Lack of integrity and unethical practices in procurement processes hampers effective implementation of CDF project	18	4.39	0.79	2.8	4.80

#### 4.5.5 Descriptive Analysis for implementation effectiveness of CDF projects

Public Procurement and Asset Disposal Act 2015, and the New Constitution (2010) provide guidelines to procurement processes. They outline procurement principles for beneficiaries of the project to get value of their money, to ensure transparency in procurement process, increase competitiveness, ascertain integrity and ethics, maintain fairness and equity. This is aimed at achieving timelines, completeness and quality of workmanship in project implementation. This research therefore wanted to evaluate the degree to which these objectives were achieved for a period of four years.

##### a) Timeliness in completion of projects

As shown in Figure 4.5, there has been slight increment on timeliness in completion of projects from year 2014 to 2016. Moreover, the project not completed within time has reduced over the same period. The Auditor general report for Nyeri Town Constituency, (2015) indicate that, out of 48 CDF funded school projects 34 were completed within time while 14 were either incomplete or not started at all. The trend is clearly reflected in Figure 4.5 below.

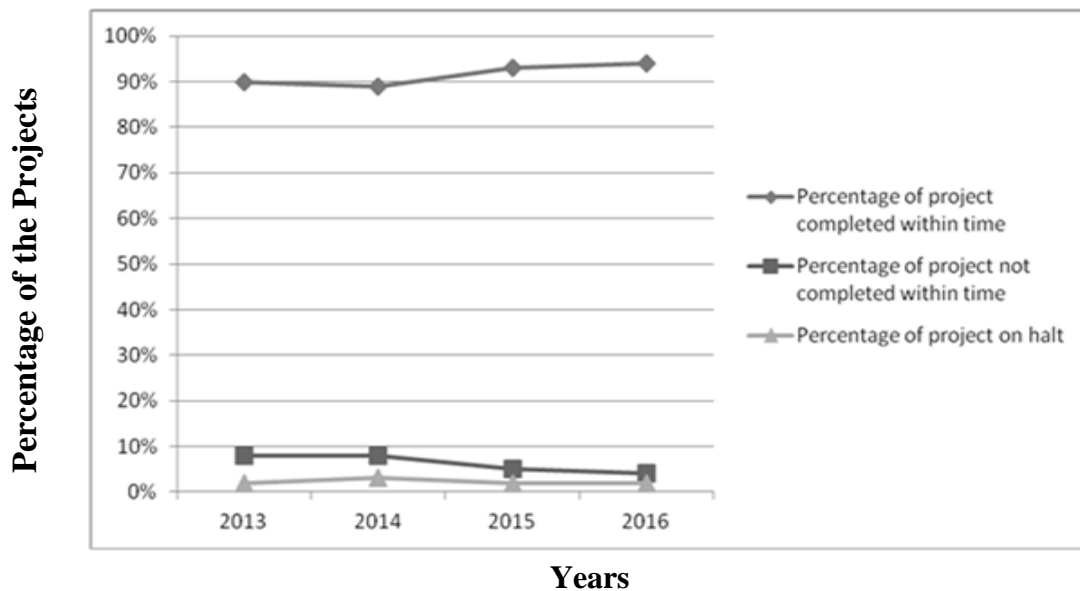
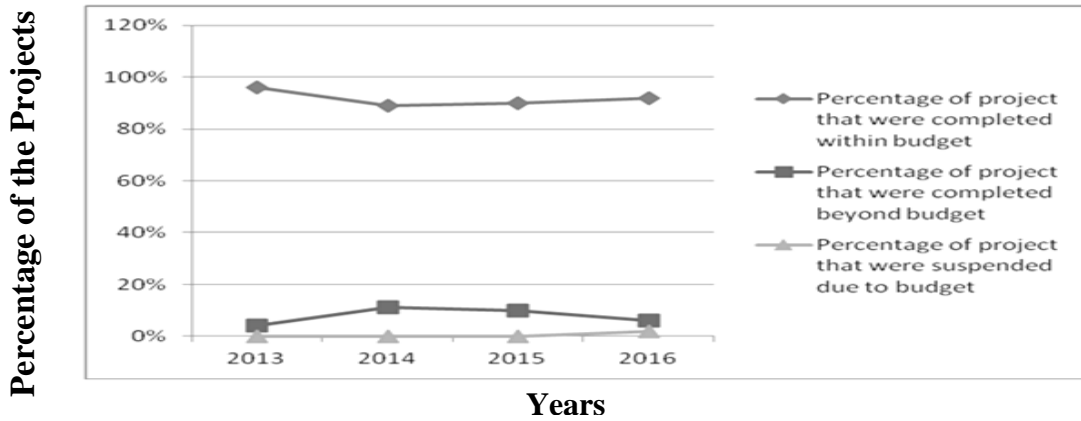


Figure 4.5: Timeliness in completion of projects

##### b) Cost effectiveness

The findings as shown in Figure 4.6, the trend analysis revealed that a high percentage of the CDF projects were completed within budget. The percentage reduced in the year 2014 but had increased from the year 2014 to year 2016. Similarly, the projects that exceeded budget allocation increased in the year 2014 had been reducing over the

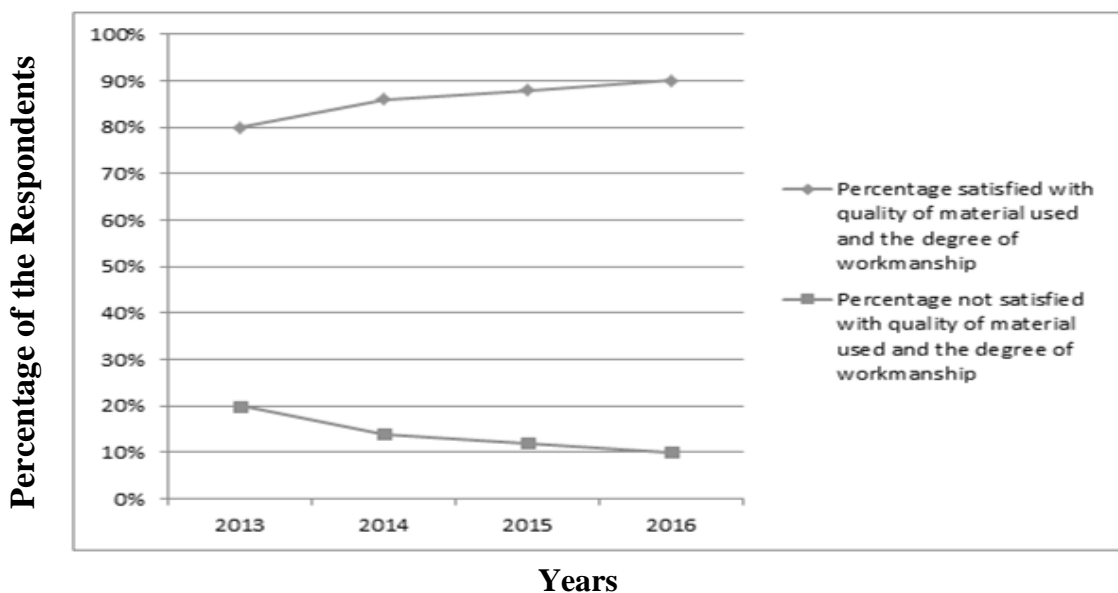
period between year 2014 to 2016. The trend analysis further revealed that in the year 2013 to 2015 no project has been halted due to financial constraints. However, these results differs with the Auditor Generals report in 2015. This contradiction may due to delay in project progress and implementation as well as lack of economies of scale since most of the projects were at the initial stages.



**Figure 4.6: Cost effectiveness**

**c) Quality of materials used and the degree of workmanship**

The respondents were asked to rate how they were satisfied with the quality of materials used and the degree of workmanship of CDF funded project. As indicated in Figure 4.7, the trend analysis showed that a respondent’s level of satisfaction with the quality of materials used and the degree of workmanship of CDF funded project increased from the year 2013 to year 2016 from around 80% to 90% which consequently implies that dissatisfaction level with the quality of materials used and the degree of workmanship of CDF funded project had a decreasing trend. The indication was that the quality of materials used and the degree of workmanship of CDF funded project was enhanced of the years under considerations



## **Figure 4.7: Quality of materials used and the degree of workmanship**

### **d) Interview Analysis**

Interview was sought to enable the researcher to obtain a deeper understanding of application of public procurement principles on implementation of constituency development funded school projects in Nyeri Town Constituency. The respondents who were Chiefs and Sub-Chiefs were expected to indicate the extent rules on competitiveness are followed in procurement process in CDF projects, how fair and equitable is the procurement process in the CDF projects, whether special groups (Women, Youth and Persons Living with Disability) are considered for award of tenders/ projects, the integrity of officials involved in the procurement of goods and services in CDF projects, how transparent is the procurement process in CDF projects implemented and to indicated whether the community is satisfied with quality, cost and completion timeliness of CDF Projects. The results of the interviews revealed that most of the Sub-Chiefs agreed that there was competitiveness as nowadays the CDF is even advertising the tenders in the newspapers. More information was relayed through barazas, notices in their offices however more needed to be done. On Equity and fairness, the chiefs said that the process is quite equitable however they felt that at times the politicians were awarding their cronies. Where special groups are concerned, due to capacity of the reserved projects, some of the reserved projects are undertaken by huge investors from other categories, however the law is observed. The chiefs said the officials were of integrity though a few lacked this. The sub chiefs observed that transparency was observed because there were other government bodies that they had to report to hence they processes were transparent. Over time the quality of projects had continued to improve due to the vigilance of the stakeholders and general public being aware of their rights. Finally the CDF only awards the projects of which they believe the funds available can complete hence the issue of cost being limited.

### **4.6 Diagnostic tests**

Regression is an analysis that assesses whether one or more predictor variables explain the dependent (criterion) variable. The regression has various key assumptions such as linear relationship, no or little multicollinearity, multivariate normality among others. In this study, prior to running a regression model, linearity, multicollinearity and normality tests were conducted.

### 4.6.1 Linearity Tests

Linear regression requires the relationship between the independent and dependent variables to be linear. The researcher used Pearson's Product Moment Coefficient Correlation (r) to establish any linear associations among the variables in the study, as well as their nature and strength. This measure, usually symbolized by the letter (r), varies from ranging from -1 to +1, with 0 indicating no linear association. In order to conduct correlation analysis the set of items that measured each variable were aggregated by computing the average. The findings of the analysis are as indicated in Table 4:7

**Table 4.7: Correlation Results**

<b>Study Variables</b>		<b>Implement ation effectiven ess</b>	<b>Compe titiven ess</b>	<b>Trans paren cy</b>	<b>Fairnes s and Equity</b>	<b>Integri ty and ethical issues</b>
<b>Implementatio n effectiveness of projects</b>	Pearson Correlation	1				
	Sig.(2tailed)					
	N	18				
<b>Competitiven ess</b>	Pearson Correlation	0.602**	1			
	Sig.(2tailed)	0				
	N	18	18			
<b>Transparency</b>	Pearson Correlation	0.356**	0.225*	1		
	Sig.(2tailed)	.001	.046	0		
	N	18	18	18		
<b>Fairness and Equity</b>	Pearson Correlation	0.545**	0.536*	-0.01	1	
	Sig.(2tailed)	0	0	.234		
	N	18	18	18	18	
<b>Integrity and ethical issues</b>	Pearson Correlation	0.427**	0.124	-0.008	0.366**	1
	Sig.(2tailed)	.0	.275	.947	.001	
	N	18	18	18	18	18

From the correlation matrix, all the independent variables had a positive relationship with the dependent variable. Competitiveness was positively and significantly related to effective implementation of CDF school projects  $r = 0.602$ ,  $p$  value  $0.000 < 0.05$  at 0.05 significance level. Transparency was positively and significantly related to effective implementation of CDF school projects  $r = 0.356$ ,  $p$  value  $0.001 < 0.05$  at 0.05 significance level. Fairness and equity was positively and significantly related to effective implementation of CDF school projects  $r = 0.545$ ,  $p$  value  $0.000 < 0.05$  at 0.05 significance level. Integrity and ethical issues were positively and significantly related to effective implementation of CDF school projects  $r = 0.427$ ,  $p$  value  $0.000 < 0.05$  at 0.05 significance level. The findings of the study indicated presence of linear relationship between the independent and dependent variables.

#### 4.6.2 Normality Test

The linear regression analysis requires all variables to be multivariate normal. This assumption was checked with use of P-P Plot. The model residuals normal P-P plot presented in Figure 8 shows that the standardized residuals plot a lot of the data along 45-degree straight line from origin, an indication that the residuals are normally distributed. Normality of the residuals indicates the linear regression was adequate for the analysis of the relationship between public procurement principles and effective implementation of constituency development funded school projects.

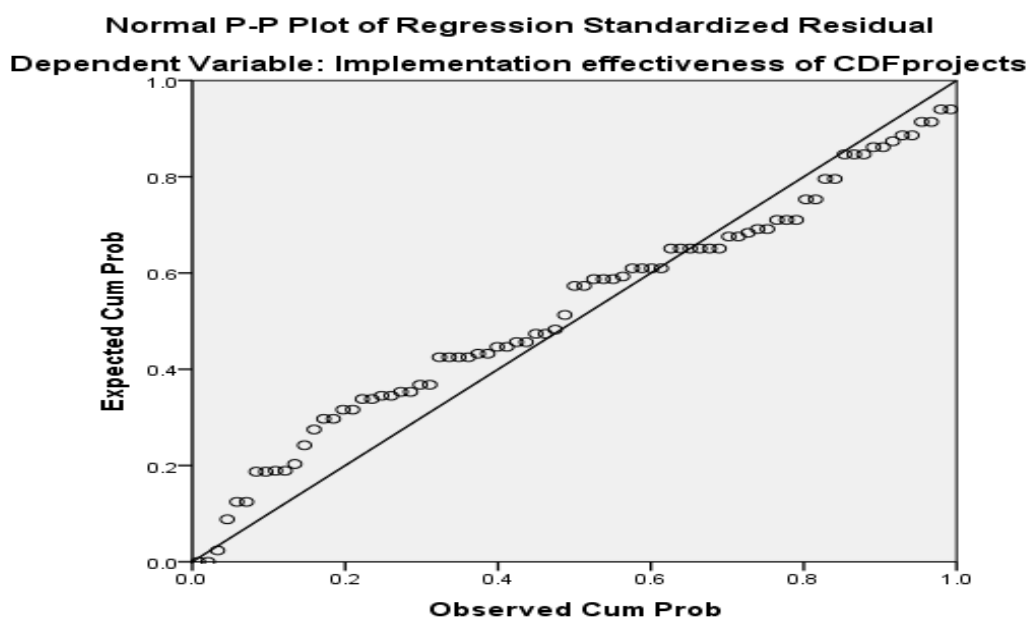


Figure 4.8: Normality Test

### 4.6.3 Test of Multicollinearity

The study tested the Multicollinearity of the variables before conducting a regression analysis. Multicollinearity occurs when more than two predictor variables are inter-correlated, Kothari, (2004). This is an unwanted circumstance where the relationship amongst the independent variables becomes strong as it increases the coefficients standard errors. To test for multicollinearity, Variance Inflation Factor (VIF) of tolerance, a diagnostic method was used to detect how severe the problem of multicollinearity was in a multiple regression model. VIF statistic of a predictor in a model shows how much bigger the error variance for the exclusive predictor effect (Baguley, 2012). Using the VIF method, a tolerance of less than 0.20 and a VIF of more than 5 indicates a presence of multicollinearity. When two or more study variables have a Variance Inflation Factor of 5 or above 5, one of these variables have to be removed from the analysis of regression since this shows multicollinearity presence (Runkle et al., 1994). As indicated in Table 4.8 there is no Variance Inflation Factor with a value above 5 or with value of 5 and therefore absence of multicollinearity.

**Table 4.8: Multicollinearity Test Findings**

Model	Collinearity Statistics	
	Tolerance	VIF
Competitiveness	.656	1.524
Transparency	.929	1.077
Fairness and equity	.609	1.643
Integrity and ethical issues	.858	1.165

### 4.7 Regression analysis

The bivariate linear regression analysis for each independent variable on the depended variables was conducted and the results were discussed.

#### 4.7.1 Influence of Competitiveness

The bivariate linear regression analysis results of competitiveness on the implementation of constituency development fund projects were as shown in Table 4.9 to 4.11



**Table 4.9: Competitiveness Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.602 <sup>a</sup>	.363	.354	.57796

a. Predictors: (Constant), Competitiveness

**Table 4.10: Competitiveness Model ANOVA**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	14.641	1	14.641	43.831	.000 <sup>b</sup>
	Residual	25.721	77	.334		
	Total	40.362	78			

a. Dependent Variable: Implementation effectiveness of CDF projects

b. Predictors: (Constant), Competitiveness

The model was significant with the F ratio = 43.831 at p value  $0.000 < 0.05$ . This is an indication that competitiveness when considered singly has a significant effect on the constituency development fund projects implementation within Nyeri Town Constituency.

**Table 4.11: Competitiveness Model Coefficients**

Model		Unstandardized		Standardized		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	1.721	.170		10.116	.000
	Competitiveness	.320	.048	.602	6.620	.000

a. Dependent Variable: Implementation effectiveness of CDF projects

Competitiveness had positive and significant effect on implementation of constituency development funded school projects with  $\beta = 0.320$  at p value 0.000 which is less than 0.05. As shown in Table 4.11, the bivariate linear regression model equation fitted by use of unstandardized coefficients is;  $Y = 1.721 + 0.320X_1 + e$  where 1.721 is the constant while  $X_1$  is competitiveness index. This means that competitiveness positively and significantly influences the constituency development fund projects implementation within Nyeri Town Constituency. This as well denotes that one unit

increase of  $X_1$  increases  $Y$  by 0.320. The indication was that competitiveness is a major factor that affects implementation of constituency development fund projects. According to OECD, (2012), competition is therefore a regulatory provision for public procurement to ascertain that public bodies and eventually the society in their entirety get the advantage of most excellent offers in relation to quality, innovation as well as price. ROK (2016) noted that competitive binding and offering in procurement is key ascertained monetary benefits and product satisfaction. In Kenya the public procurement Act 2005 amended 2016 cites competition as requirement in law to improve efficiency in project implementation and consequently quality service delivery

#### 4.7.2 Influence of Transparency

The bivariate linear regression analysis results of transparency on the implementation of constituency development fund projects were as indicated in Table 4.12 to 4.14. As shown by the regression findings in Table 4.12, the value of  $R$  was 0.356 signifying that there is a correlation between transparencies on the constituency development funded school projects implementation within Nyeri Town Constituency. The value of  $R^2$  of 0.126 indicates that 12.6% of the implementation of constituency development fund projects is explained by transparency all other factors held constant. The remaining 87.4 percent is explained by other factors.

**Table 4.12: Transparency Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.356 <sup>a</sup>	.126	.115	.67667

a. Predictors: (Constant), Transparency

The model was significant with the  $F$  ratio = 11.149 at  $p$  value  $0.001 < 0.05$ . This is an indication that transparency when considered singly has a significant effect on the constituency development fund projects implementation within Nyeri Town Constituency.

**Table 4.13: Transparency Model ANOVA**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.105	1	5.105	11.149	.001 <sup>b</sup>
	Residual	35.257	77	.458		
	Total	40.362	78			

a. Dependent Variable: Implementation effectiveness of CDF projects

b. Predictors: (Constant), Transparency

Transparency had positive and significant effect on implementation of constituency development fund projects with  $\beta = 0.471$  at p value 0.001 which is less than 0.05. As shown in Table 4.14, the bivariate linear regression model equation fitted by use of unstandardized coefficients is;  $Y = 2.101 + 0.471X_1 + e$  where 2.101 is the constant while  $X_1$  is transparency index. This means that transparency positively and significantly influences the constituency development fund projects implementation within Nyeri Town Constituency. This as well denotes that one unit increase of  $X_1$  increases  $Y$  by 0.471. The indication was that transparency is one of the factors that affect constituency development fund projects implementation within Nyeri Town Constituency. Airo *et al.*, (2014) examined challenges involved in attainment of accountability as well as transparency within procedures of public procurement within

secondary schools and found that external factors contributed significantly to the transparency challenges under consideration as shown below.

**Table 4.14: Transparency Model Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.101	.212		9.902	.000
Transparency	.471	.141	.356	3.339	.001

a. Dependent Variable: Implementation effectiveness of CDFprojects

### 4.7.3 Influence of Fairness and Equity

The bivariate linear regression analysis results of fairness and equity on the implementation of constituency development fund projects were as shown in Table 4.15 to 4.17

As indicated by regression findings in Table 4.15, the value of R was 0.545 signifying that there is a correlation between fairness and equity on the on the constituency development fund projects implementation within Nyeri Town Constituency. The value of R<sup>2</sup> of 0.297 indicates that 29.7% of the implementation of constituency development fund projects is explained by fairness and equity all other factors held constant. The remaining 70.3 percent is explained by other factors.

**Table 4.15: Fairness and Equity Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.545 <sup>a</sup>	.297	.288	.60704

a. Predictors: (Constant), Fairness and equity

The model was significant with the F ratio = 32.531 at p value 0.000 < 0.05. This is an indication that fairness and equity when considered singly have a significant effect on the constituency development fund projects implementation within Nyeri Town Constituency. Dekel, (2010) noted that fairness and equity is a salient component of procurement system.

**Table 4.16: Fairness and Equity Model ANOVA**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.988	1	11.988	32.531	.000 <sup>b</sup>
	Residual	28.375	77	.369		
	Total	40.362	78			

a. Dependent Variable: Implementation effectiveness of CDF projects

b. Predictors: (Constant), Fairness and equity

Fairness and equity had positive and significant effect on implementation of constituency development fund projects with  $\beta = 0.312$  at p value 0.000 which is less than 0.05. As shown in Table 4.17, the bivariate linear regression model equation fitted by use of unstandardized coefficients is;  $Y = 1.641 + 0.312X_1 + e$  where 1.641 is the constant while  $X_1$  is fairness and equity index. This means that fairness and equity positively and significantly influence the constituency development fund projects implementation within Nyeri Town Constituency. This as well indicates that one unit increase of  $X_1$  increases  $Y$  by 0.312. The indication was that fairness and equity is a major factor that affects implementation of constituency development fund projects.

**Table 4.17: Fairness and Equity Model Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
1 (Constant)	1.641	.208			7.877	.000
1 Fairness and equity	.312	.055	.545		5.704	.000

a. Dependent Variable: Implementation effectiveness of CDF projects

#### 4.7.4 Influence of Integrity and Ethical Issues

The bivariate linear regression analysis results of integrity and ethical issues on the implementation of constituency development fund projects were as shown in Table 4.18 to 4.20. From the regression results in Table 4.18, the value of R was 0.427 indicating that there is a correlation between integrity and ethical issues on the on the constituency development fund projects implementation in Nyeri Town Constituency. The R squared ( $R^2$ ) value of 0.182 shows that 18.2 percent of the implementation of constituency development fund projects is explained by integrity and ethical issues all other factors held constant. The remaining 81.8 percent is explained by other factors.

**Table 4.18: Integrity and Ethical Issues Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.427 <sup>a</sup>	.182	.172	.65466

a. Predictors: (Constant), Integrity and ethical issues

The model was significant with the F ratio = 17.177 at p value  $0.000 < 0.05$ . This is an indication that integrity and ethical issues when considered singly have a significant effect on the constituency development fund projects implementation in Nyeri Town Constituency.

**Table 4.19: Integrity and Ethical Issues Model ANOVA**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.362	1	7.362	17.177	.000 <sup>b</sup>
	Residual	33.001	77	.429		
	Total	40.362	78			

a. Dependent Variable: Implementation effectiveness of CDF projects

b. Predictors: (Constant), Integrity and ethical issues

Integrity and ethical issues had positive and significant effect on implementation of constituency development fund projects with  $\beta = 0.390$  at p value 0.000 which is less than 0.05. As shown in Table 4.20, the bivariate linear regression model equation fitted by use of unstandardized coefficients is;  $Y = 2.126 + 0.390X_1 + e$  where 2.126 is the constant while  $X_1$  is integrity and ethical issues index. This means that integrity and ethical issues positively and significantly influence the constituency development fund projects implementation within Nyeri Town Constituency. This as well denotes that one unit increase of  $X_1$  increases  $Y$  by 0.390. The indication was that integrity and ethical issues are a major factor that affects implementation of constituency development fund projects. According to Ngugi and Mugo, (2011) ethics and integrity is an important public procurement since it includes public money expenditure, and its cause to undergo public inspection. As results public executives ought to at all times behave fairly as well as ethically, together with in the undertakings of their business.

**Table 4.20: Integrity and Ethical Issues Model Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.126	.170		12.469	.000
1 Integrity and ethical issues	.390	.094	.427	4.144	.000

a. Dependent Variable: Implementation effectiveness of CDF projects

#### 4.8 Overall Multiple Regression

The study carried out multiple regression analysis between the study's dependent and independent variables. In order to conduct multiple regression analysis the number of items which measured every independent variable were combined by calculating the

average. Multiple linear regression analysis was then utilized to test if there was relationship between independent variables (competitiveness, transparency, fairness and equity, and integrity and ethical issues) and dependent variable (implementation effectiveness of CDF projects). The findings of the multiple regression analysis for each of the four independent variables are discussed in Table 4.21 to Table 4.23.

**Table 4.21: Model Summary for Public procurement principles**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.761 <sup>a</sup>	.579	.556	.47914

a. Predictors: (Constant), Integrity and ethical issues, Transparency, Competitiveness, Fairness and equity

From the regression results in Table 4.21, the value of R was 0.761 signifying that there is a correlation between competitiveness, transparency, fairness and equity, and integrity and ethical issues on the on the constituency development fund projects implementation in Nyeri Town Constituency. The R squared ( $R^2$ ) value of 0.579 shows that 57.9 percent of the implementation of constituency development fund projects is explained by public procurement principles factors considered in the study. The remaining 42.1 percent is explained by other factors.

**Table 4.22: ANOVA for Public procurement principles**

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	23.374	4	5.843	25.453	.000 <sup>b</sup>
1	Residual	16.989	74	.230		
	Total	40.362	78			

a. Dependent Variable: Implementation effectiveness of CDF projects

b. Predictors: (Constant), Integrity and ethical issues, Transparency, Competitiveness, Fairness and equity

The model was significant with the F ratio = 25.453 at p value  $0.000 < 0.05$ . This is an indication that public procurement principles had a significant effect on the constituency development fund projects implementation within Nyeri Town Constituency.



**Table 4.23: Coefficients for Public procurement principles**

Model	Unstandardized		Standardized		
	B	Std. Error	Beta	t	Sig.
(Constant)	.677	.226		2.997	.004
Competitiveness	.201	.049	.379	4.070	.000
Transparency	.361	.104	.273	3.487	.001
Fairness and equity	.134	.055	.233	2.414	.018
Integrity and ethical issues	.271	.074	.297	3.642	.000

a. Dependent Variable: Implementation effectiveness of CDF projects

Competitiveness, transparency, fairness and equity, and integrity and ethical issues had positive and significant effect on implementation of constituency development fund projects with  $\beta_1 = 0.201$  at p value 0.000,  $\beta_2 = 0.361$  at p value 0.001, with  $\beta_3 = 0.134$  at p value 0.018 and  $\beta_4 = 0.271$  at p value 0.000 which is less than 0.05 respectively.

The optimal regression equation for this study can be stated as:

$Y = 0.677 + 0.361X_1 + 0.271X_2 + 0.201X_3 + 0.134X_4 + \epsilon$ . where  $X_1$  is transparency index,  $X_2$  is integrity and ethical issues index,  $X_3$  is competitiveness index while

$X_4$  is fairness and equity index. The study indicated that all the independent variables were to be retained in the optimal linear regression model since their effect on implementation of constituency development fund projects was statistically significant. The results of the study indicated that competitiveness had positive and significant effect on implementation of constituency development funded school projects in Nyeri Town Constituency is consistent with the Public Procurement and Asset Disposal Act, (2015) which cites competitiveness as a requirement in law to improve efficiency in project implementation and consequently quality service delivery, (ROK, 2015) A study conducted by the European Public Procurement Centre, linked competitiveness in procurement to obtaining the value for money, mutual understanding of commercial issues as well as better price discipline, (EU,2010)

Transparency in effective implementation of constituency development funded schools projects is key and had a positive significance which is tandem with the Public Procurement and Disposal Regulations (ROK, 2006). The regulations streamline

procurement process to eliminate corruption perceived to be propelled by lack of information. Integrity and ethical issues had a positive and significant effect on implementation of constituency development funded projects. In a study carried out by IPSOS (2014) endemic corruption in CDF projects is orchestrated by political patronage. Unethical practices contribute to poor project implementation hence the need to adhere to ethical behavior in procurement process. Lack of integrity among suppliers and professional misconduct among procurement officers derail project implementation as outlined by Akech, (2015).

Fairness and equity is a salient component of procurement and it had a positive and significant effect in implementation of constituency development funded school projects in Nyeri Town Constituency. This is in line with Article 227 of the Kenyan Constitution (ROK, 2010) which visualizes public procurement to be equitable, just, transparent, cost effective and competitive.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSION AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter outlines the summary of the study major findings of the study as directed by specific objectives and questions of research, conclusions drawn founded on the results as well as recommendations for enhancing effective implementation of constituency development funded school projects.

#### **5.2 Major findings summary**

This research sought to examine the public procurement principles and effective implementation of constituency development funded school projects in Nyeri Town Constituency. This study's specific objectives were to examine the influence of competitiveness, transparency, fairness and equity, and integrity and ethical issues on the constituency development funded school projects implementation within Nyeri Town Constituency. The summary of the findings were discussed below.

##### **5.2.1 Competitiveness**

The study's first objective was to examine the influence of competitiveness on the effective implementation of constituency development funded school projects within Nyeri Town Constituency. At 95% level of confidence bivariate and multiple regression results indicated a positive and significant effect between competitiveness and the constituency development funded school projects implementation at p value less than 0.05. The findings indicate that competitiveness in procurement process have a significant effect on project implementation of CDF projects in Nyeri Town Constituency.

In order to comply with the procurement guideline the study revealed that Nyeri Town Constituency CDF projects are open to all interested and eligible bidders and advertisement is done to create awareness of available opportunities and deliberate effort is made to ensure supplier diversity through preference and reservation scheme

for the disadvantaged groups (Youth, Women and PWDs) which have enhance fair competition among these groups.

These findings concurs with Hanak and Petra (2015), who carried out a research on the impact of competition on prices within public sector procurement in the Czech Republic found out that the high the numbers of applicants for the tender was significantly related to price competitiveness. This means that the more the tender is competitive the more the chance of procuring goods and services at a fairer price. As such, the study recommends that steps should be taken to motivate adequate applicants to take part in tenders to promote competitiveness in CDF projects

### **5.2.2 Transparency**

The study's second objective was to determine the influence of transparency on the effective implementation of constituency development funded school projects in Nyeri Town Constituency. At 95% level of confidence bivariate and multiple regression results indicated a positive and significant effect between transparency and the constituency development funded school projects implementation at p value less than 0.05. The findings indicate that transparency in procurement process plays a key role in public procurement and has positively contributed towards effective implementation of CDF projects in Nyeri Town Constituency.

The study further revealed that documentation of the entire procurement process is done and is open to scrutiny by relevant government agencies and there is separation of duties at various stages of procurement which can be attributed to effective project implementation of CDF funded school projects. The Benchmarking Public Procurement (2016), also found out that transparency and remain a priority in each stage of the procurement process, from the conception of the procuring entity's need, through contract award and all the way to final delivery and payment. Transparent processes, easy access to information and open procurement markets drive down costs, improve quality and provide better value for money. They also lower the risk that any party will be improperly advantaged due to flaws in the system.

### **5.2.3 Fairness and equity**

The third objective was to determine the influence of the fairness and equity on the effective implementation of constituency development funded school projects within Nyeri Town Constituency. The study indicate that, at 95% level of confidence fairness and equity had a positive and significant effect on CDF projects implementation at p value less than 0.05. Descriptive analysis showed that fairness in selection of suppliers greatly affects the implementation of the CDF projects. In addition, the findings indicate that standardized and objective evaluation criteria is formulated and applied without bias to promote fairness where bidders under the same category compete at a level playground.

The findings are in line with the Benchmarking Public Procurement report (2016), indicate that, channels to report irregularities, misconduct and conflicts of interest can increase the fairness of procurement by adding credibility and legitimacy to decisions, thus strengthening citizen trust in government and public spending.

### **5.2.4 Integrity and Ethical Issues**

The fourth objective was to establish the influence of integrity and ethical issues on the effective implementation of constituency development funds projects in Nyeri Town Constituency. At 95% level of confidence bivariate and multiple regression results indicated a positive and significant effect between fairness and equity and the constituency development funded projects implementation at p value less than 0.05. Descriptive analysis showed that lack of integrity and unethical practices in procurement processes hampers effective implementation of CDF project.

The study further indicated that CDF has put in place measures to curb unethical practices in the procurement process which impose stiff penalties to offenders. To that extent tender processing committee members are required to disclose any conflict of interest and withdraw from the Committee to give the process credibility. Sensitization on ethical issue in procurement is also conducted to PMC members to enhance integrity in project management and implementation where it is made clear that suppliers/

contractors engaging in unethical practices may be disqualified and barred from future engagements with the procuring entity.

These findings concurs with Onyango and Were, (2014) whose study found that integrity and ethics, ICT adoption, procurement operation and accountability affected procurement processes to a great extent. This is because Integrity and ethical standards in procurement process increase suppliers' which encourage more bidders to participate, which can increase competition, lower prices and improve quality.

### **5.3 Conclusions of the study**

The findings indicated that competitiveness had positive and significant effect between competitiveness and the constituency development fund projects implementation. In addition, competitiveness in procurement process was found to influence the cost, quality and completion time in implementation of CDF projects. The study therefore conclude that deliberate effort should be made to encourage more competitors to bid since a high number of bidders leads to price competitiveness, enhanced quality and timely completion of the projects. The regulations set aside by the Public Procurement and Disposal Regulations (2006) which give guidelines on the procurement methods and thresholds should be adhered to in order to complete the projects in time and within the cost.

Transparency had positive and significant effect on effective implementation of the constituency development funded projects. Transparency was found to be crucial in implementation of CDF Projects as it resulted to accountability. Therefore it is paramount to enhance transparency in every step of process of procurement from inviting for tender, evaluation of tender document, awarding in order to promote integrity and prevent corruption in procurement. This would help avoid unnecessary delays and misuse of public resources.

Fairness and equity had positive and significant effect on effective implementation of constituency development fund projects. The findings indicate that standardized and objective evaluation criteria is formulated and applied without bias to promote fairness where bidders under the same category compete at a level playground. In Nyeri Town Constituency the bidders are evaluated using a standardized criteria set in the tender

document thus giving each bidder an opportunity for fair evaluation. The study concludes that public procurement of services and goods should be conducted in an equitable, transparent and just manner.

Integrity and ethics had positive and significant effect in relation to the constituency development fund projects implementation. The study further indicated that lack of integrity and unethical practices in procurement processes hampers effective implementation of CDF project. Therefore, the study concludes that personnel engaged in procurement process should act with integrity at all times in order to reduce the cost and risk associated with unethical behavior such as corruption, fraud, theft among others. The process should also be undertaken with integrity and honesty.

#### **5.4 Study's Recommendations**

The study revealed that Public Procurement principles have a positive and significant relationship with effective implementation of constituency development funded school projects. The study recommends that the schools should ensure that more bidders are encouraged to bid to undertake CDF projects with a view to ensure that cost, quality and efficiency play a center stage. Ample time should also be observed in tender preparation time as per the set regulations to ensure all interested and eligible bidders have the information in good time. This would also help in giving value for money which is in line with the constitution.

The study further recommends that there should be a policy in place to guide on transparency and accountability. There should be open communication on matters regarding the projects being implemented to the stakeholders concerned. In addition, the study recommends that CDF committee should have clear specifications and standardization on the materials to be used in construction in the tender document to ensure that quality is not compromised when quoting the price.

#### **5.6 Suggestion for Further Studies.**

The study confined itself to the public procurement principles and effective implementation of constituency development funded school projects in Nyeri Town

Constituency. This study therefore recommends that in future a study be conducted across the whole Nyeri County for generalization purposes.

The study also recommends that in future a study be conducted on the effectiveness of the procurement management adopted by the schools across the Nyeri County. This will ensure that the procurement practices adopted by the schools are effective in managing the procurement processes in all schools of Nyeri County.



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## QUESTIONNAIRE FOR RESPONDENTS

### Section A: Bio data of the respondents

1) School category a) Primary School

b) Secondary School

2) Category you represent in the PMC

a) CDF office

b) School BOM

c) Parents association

d) School administration

e) Teachers' representative

3) Indicate the CDF projects implemented in your school between 2013 and 2016

a) Classrooms

b) Dining Hall

c) Laboratory

d) Administration block

e) Ablution Block

f) Dormitory

### **SECTION B:**

In this section kindly rate your level of agreement to the statements in question using the scale given where 5 = strongly agree, 4= Agree, 3= Not sure, 2= Disagree and 1= strongly disagree. Please tick in the appropriate box in the table shown.

**4) Competitiveness** in procurement of goods and services in CDF projects in your school:

NB: 5= strongly agree, 4= Agree, 3= Not sure, 2= Disagree and 1= Strongly disagree

<b>Statement</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
Bids are open to all interested and eligible parties and advertisement is done to create awareness of available opportunities					
A high number of bidders leads to price competitiveness hence more competitors are encouraged to bid					
There is regulation on minimum number of bidders depending on the method of procurement					
To ensure supplier diversity reservations are done to the disadvantaged groups( Youth, Women and PWDs)					
Competitiveness in procurement process influences the cost, quality and completion time in implementation of CDF projects					

**7. Transparency** in procurement of goods and services in CDF projects in your school.

NB: 5= strongly agree, 4= Agree, 3= Not sure, 2= Disagree and 1= strongly disagree

<b>Statement</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
Tender evaluation criteria is predetermined and availed in advance to all interested bidders					
Separation of duties at various stages of procurement is done to enhance transparency.					
There is a policy in place to guide on transparency and accountability.					
Documentation of the entire procurement process is done and is open to scrutiny by relevant government agencies.					
Transparency in procurement process is key to implementation of CDF Projects.					

**5) Fairness and equity** in procurement of goods and services in CDF projects in your school.

NB: 5= strongly agree, 4= Agree, 3= Not sure, 2= Disagree and 1= strongly disagree

<b>Statement</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
Bidders under the same category compete at a level play ground					
Channels are provided to seek justice in case of unfair treatment in tendering					
Independence of various committees involved in the procurement process promotes fair treatment to all bidders					
Standardized and objective evaluation criteria is formulated and applied without bias to promote fairness.					
Fairness in selection of suppliers greatly affect the implementation of the CDF projects					

**6) Integrity and ethics** in procurement of goods and services in CDF projects in your school. **Strongly Agree (5) Agree (4) Not sure (3) Disagree (2) strongly Disagree (1)**

<b>Statement</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
Tender Processing Committee members disclose any conflict of interest and withdraws from the Committee to give the process credibility					
Sensitization on ethical issue in procurement is conducted to PMC members to enhance integrity in project management and implementation					
CDF has put in place measures to curb unethical practices in the procurement process which impose stiff penalties to offenders					
Suppliers/ contractors engaging in unethical practices are disqualified and barred from future engagements with the procuring entity					
Lack of integrity and unethical practices in procurement processes hampers effective implementation of CDF project					

## SECTION C

10) In this section, you are required to rate the projects implemented in your school between 2013 and 2016 in regard to quality, timeliness in completion and project cost. Use a the percentage in responding to specific statement where the percentage per year should add up to 100%

### Timeliness

Statement	2013	2014	2015	2016
Percentage of projects completed within time				
Percentage of projects not completed within time				
Percentage of projects on halt				

### Cost effectiveness

Statement	2013	2014	2015	2016
Percentage of projects completed within budget				
Percentage of projects that were completed beyond budget				
Percentage of projects that were suspended				

### Quality of materials used and the degree of workmanship

Statement	2013	2014	2015	2016
Percentage satisfied with quality of material used and the degree of workmanship				
Percentage not satisfied with quality of material used and the degree of workmanship				

**THE END**

**THANK YOU FOR YOUR CO-OPERATION**

**INTERVIEW SCHEDULE FOR SUB-CHIEFS WITHIN NYERI TOWN  
CONSTITUENCY**

1) To what extent are rules on competitiveness followed in procurement process in CDF projects?

.....  
.....  
.....

2) How fair and equitable is the procurement process in the CDF projects?

.....  
.....  
.....

3) From your analysis, are special groups (Women, Youth and Persons Living with Disability) considered for award of tenders/ projects?

.....  
.....  
.....

4) What is your opinion on the integrity of officials involved in the procurement of goods and services in CDF projects?

.....  
.....  
.....

5) In your own views, how transparent is the procurement process in CDF projects implemented within your area of jurisdiction?

.....  
.....  
.....

In your opinion is the community satisfied with quality, cost and completion timeliness of CDF projects?

.....  
.....  
.....

**THE END  
THANK YOU FOR YOUR CO-OPERATION**

## **APPENDICES**

### **APPENDIX 1: LETTER OF INTRODUCTION**

Joan Wanja Ndanyu,

P. O. Box 2737,

NYERI

#### **RE: INTRODUCTION LETTER**

Dear Sir/Madam,

I am a student at Dedan Kimathi University of Technology currently pursuing a Master's in Science Degree in Supply Chain Management. I wish to undertake a research on Public procurement Principles on Implementation Effectiveness of CDF projects in Nyeri Town Constituency. I hereby request you to participate in the proposed study. The research is purely for academic purposes and confidentiality and anonymity will be observed.

Thanks

Joan W. Ndanyu