

East African Journal of Business and Economics

ejbe.anso.org

Volume 7, Issue 2, 2024

Print ISSN: 2707-4250 | Online ISSN: 2707-4269

Title DOI: <https://doi.org/10.37284/2707-4269>

ENSO
EAST AFRICAN
NATURE &
SCIENCE
ORGANIZATION

Original Article

Transparent Tendering Process Regulation and its Influence on Service Delivery of Water Companies in Murang'a County

Juma Richard¹, Evans Biraori Oteki^{1*} & Naom Nungari¹

¹ Murang'a University of Technology, P. O. Box 75-10200. Muranga, Kenya

* Correspondence Email: evansoteki@yahoo.com

Article DOI: <https://doi.org/10.37284/eajbe.7.2.2318>

Date Published: ABSTRACT

21 October 2024 Under public regulation, sound policies and practices in public procurement are among the key components of good excellent stewardship and governance.

Keywords: However, the procurement processes are accused of inefficiency, corruption, and undercutting costs in addition to secrecy, which results in significant resource waste. Therefore, this study aims to evaluate the influence of public regulation on the service delivery of water companies in Murang'a County. The specific objective is to investigate the influence of transparent tendering on the service delivery of water companies in Murang'a County. A descriptive research design was applied to achieve the objectives of the study. The population of this study consisted of 240 employees working in the procurement department, heads of user department and tender committee members drawn from the five water companies in Murang'a County. Yamane's formula was applied to arrive at a sample size of 150 respondents. The findings show that the coefficient of determination (R^2) representing the proportion of variance in the dependent variable (Service Delivery) is explained by the independent variable (Transparent Tendering) where in this study, $R^2 = 0.864$, indicating that approximately 86.4% of the variance in Service Delivery can be explained by Transparent Tendering. The results of simple regression revealed that transparent tendering has a p-value = .000 and since the p-value is less than < 0.05 , the null hypothesis was rejected. It was then concluded that there is a significant relationship between transparent tendering and service delivery of water companies in Murang'a County. Based on the conclusions the study recommends that strengthening communication strategies and sensitization efforts before tender advertisement will help raise awareness among potential bidders and promote transparency by providing freely accessible procurement information to address the mixed opinions on stakeholder involvement.

Public
Regulation,
Murang'a
County,
Sound Policies,
Service Delivery,
Water
Companies

APA CITATION

Richard, J., Oteki, E. B. & Nungari, N. (2024). Transparent Tendering Process Regulation and its Influence on Service Delivery of Water Companies in Murang'a County. *East African Journal of Business and Economics*, 7(2), 138-154. <https://doi.org/10.37284/eajbe.7.2.2318>

CHICAGO CITATION

Richard, Juma, Evans Biraori Oteki and Naom Nungari. 2024. "Transparent Tendering Process Regulation and its Influence on Service Delivery of Water Companies in Murang'a County". *East African Journal of Business and Economics* 7 (2), 138-154. <https://doi.org/10.37284/eajbe.7.2.2318>.

HARVARD CITATION

Richard, J., Oteki, E. B. & Nungari, N. (2024) "Transparent Tendering Process Regulation and its Influence on Service Delivery of Water Companies in Murang'a County", *East African Journal of Business and Economics*, 7(2), pp. 138-154. doi: 10.37284/eajbe.7.2.2318.

IEEE CITATION

J., Richard, E. B., Oteki & N., Nungari "Transparent Tendering Process Regulation and its Influence on Service Delivery of Water Companies in Murang'a County", *EAJBE*, vol. 7, no. 2, pp. 138-154, Oct. 2024.

MLA CITATION

Richard, Juma, Evans Biraori Oteki & Naom Nungari. "Transparent Tendering Process Regulation and its Influence on Service Delivery of Water Companies in Murang'a County". *East African Journal of Business and Economics*, Vol. 7, no. 2, Oct. 2024, pp. 138-154, doi:10.37284/eajbe.7.2.2318.

INTRODUCTION

Public procurement is the process of purchasing goods, services or works by the public sector from the private sector. Overall, public procurement represents on average 13% to 20% of GDP. Global expenditure in procurement is estimated at nearly 9.5 trillion US dollars and, according to the United Nations Office on Drugs and Crime, 10 to 25 percent of a public contract's overall value may be lost due to corruption. Governments have a great incentive to maximize every penny of their budgets. Better management of the public procurement sector with increased transparency is critical for achieving economic growth and boosting shared prosperity for all. The World Bank recognizes the potential public procurement can have in assisting governments around the world in meeting their development objectives. However, there remains a gap in publicly accessible country procurement information available on a user-friendly platform. The Global Public Procurement Database (GPPD) was created to fill this void. Best practices in public procurement go far beyond saving money. It is also about government efficiencies and quality improvements of goods and services as well as transparency over what governments purchase in sectors critical for development, such as health, education, and water. With this in mind, the GPPD is a one-stop online product of choice for the global

public procurement community, (World Bank, 2020).

In Kenya, accountability in the public procurement system has changed dramatically during the last decade. From unregulated system in the 1960s to Treasury Circulars-governed system from 1970 to 1990s, the PPDA Act 2005, Regulation 2006, and eventually, the debut of the Public Procurement Asset and Disposal Act of 2015 and the Public Procurement and Asset Disposal Regulation, 2020 both of which set new requirements for Kenyan government procurement to conform to the Kenyan Constitution 2010 (Article 227) which must be implemented by every public entity (Mutangili, 2021).

The role of public procurement is a critical component of administration, governance and a strategic pillar in every public entity, and it is becoming more popular and acknowledged as critical in the provision of critical services, accounting for a significant share of overall spending. However, despite large gains in financial allocation, many emerging countries' public service delivery is deteriorating. Ineffective procurement mechanisms within a business might be used to justify poor water service delivery, (Brearley, 2020).

Manasse (2021). Observe that government procurement processes are distinct from private

purchasing processes due to the financial effects of government entities procurement must be evaluated using criteria that are longer-term and more complicated public procurement additionally needs to be transparent and carried out with consideration for factors aside from only the economy. Important factors to take into account include accountability, nondiscrimination among prospective suppliers, and compliance with international agreements. Public procurement is today governed by Regulations that must be put into effect for guidance in any procurement procedure to safeguard public resources, interests, and funds, particularly the management of public funds, (Manasse, 2021).

Global Perspective on Public Regulation

Asia's decentralized administrative systems have recently undergone major structural adjustments related to public procurement. For instance, in Japan, earlier laws like the Proper Tendering Contracting Law and the Public Service Ethics Law, both passed in 2000, included the Elimination and Prevention of Bid Rigging in 2002 and the Ensuring Quality of Public Works in 2005, both of which aimed to improve transparency and accountability, as well as the adoption of IFMIS at the devolved prefectural level of government. These regulations were put in place to prohibit bid manipulation and guarantee that public works (Kinoshita et al., 2012).

Despite continuing efforts to create uniform public procurement procedures throughout Germany, Czarnitzki et al. (2020), research finds that there are significant legal distinctions between state and federal reforms. Many countries have implemented new laws to find a solution to this issue, intending to increase the effectiveness of the public sector and how the government spends its resources. Both the public sector's effectiveness and the effective use of resources are improved by these strategies. The first step in achieving these objectives, according to Czarnitzki et al. (2020), was the modification of the rules governing German federal procurement. This was the first action taken to achieve these objectives. The changes to German procurement

law based on 2014 EU guidelines for e-procurement sought to accomplish the following objectives: The procurement procedure should be forced to use online communication (OECD, 2017). However, both regional municipal procurement agencies and small and medium-enterprise firms (SMEs) need to be given some latitude in terms of their timelines to fully incorporate computerized processes. The research by Czarnitzki et al. (2020) indicates that there are no trustworthy statistics on public procurement in Germany.

The Court of Justice of the European Union's theories serve as the foundation for the reform agenda for the public procurement system (CJEU). These doctrines attempt to identify common ground between the core principles of public procurement law and the fundamental values outlined in the EU Treaties (Bovis, 2020). When it comes to finishing the tasks that are left unfinished by the public procurement guidelines, primary EU legislation is what enters the picture to undertake the hard lifting. The case law of the Court of Justice of the European Union (CJEU) has been a significant contributor to the development of the policy and concepts that underpin the *acquis*, in addition to providing flexibility, clarity, and assurance to the highly decentralized implementation as well as enforcement of the public procurement *acquis* (Bovis, 2020). The European Union and its member states are thought to be able to achieve growth and raise their level of competitiveness with the help of public procurement. All of the countries that make up the EU have the same viewpoint.

Africa Perspective on Public Regulation

Since the end of the apartheid regime In South Africa, government procurement has been used explicitly to pursue socio-economic objectives (Turley, & Perera, 2014). Procurement practices are of particular significance in the South African public sector. It is used to promote social, industrial or environmental aims which are, arguably, secondary to the primary aim of procurement (Bolton, 2009). This is due to the discriminatory and

unfair practices of the past. The procurement transformation started in 1995 and was directed at two broad focus areas, namely the promotion of the principles of good governance and the introduction of a preferential system to address socio-economic objectives. The procurement reform processes were embedded in section 112 of the Municipal Financial Management Act 56 of 2003 (MFMA), in section 76(4) (C) of the Public Finance Management Act (PFMA), and in the Preferential Procurement Policy Framework Act 5 of 2000 (PPPFA). In 2001, the SCM unit at the National Treasury completed a joint Country Procurement Assessment Review (CPAR) in collaboration with the World Bank to assess procurement practices throughout the public sector. The CPAR identified certain deficiencies in procurement practices relating to governance and the interpretation and implementation of PPPFA and its associated Regulation.

The devolved system of governments has been introduced in nations in Africa to ensure the development of the economy and service delivery is closer to the citizens and they also benefit from the services offered by the government (Walls et al., 2012). East Africa's devolved system of governments also support the countries to desist from misappropriation of powers and resources by the national government. In nations that have had success with devolved system of government being implemented, service delivery and development are experienced and unlike those countries that are yet to implement the devolved system of government (Boyd, 2015).

Kenya Perspective on Public Regulation

In Kenya, Public Procurement is considered to be the avenue in which government expenditures are realized on revenue collected annually, for the implementation of government's projects and service delivery. This was further reiterated that PP that is economically inefficient invariably undermines the government's agenda of service delivery. In light of this, Article 227 of the constitution mandates a development of Regulation

where policies and Regulation that relates to PP shall be implemented. The constitution regulatory framework demands that procuring entities entering a contract shall do so in a competitive, transparent, fair, equitable and cost-effective system (Anthony, 2018).

Water Companies

Water service providers being water companies have been mandated to provide water service delivery properly in the full capacity required by their customers while ensuring quality at all times ensuring they are effective and efficient,. Despite the Kenyan government's efforts to expand water coverage across the country, Water and Services providers in their respective regions face a slew of obstacles in fulfilling their mission of providing dependable, reliable, quality, affordable, sustainable sanitation and water services in a way that is good for customers. According to Kenya's Vision 2030 for water and sanitation, the country wants to guarantee access to improved sanitation as well as the provision of clean, safe drinking water,. This study will introduce the basic procurement practices to be applied in order to achieve a sound procurement practice in water companies that allow for an increase in trade and foster economic growth while ensuring that the service delivery of water is achieved.

The Water Service Providers and Businesses at large must also keep up with emerging technologies because the efficacy of various procurement-related procedures is being increased by the different technologies used in today's world in their dealings and to remain relevant, lucrative, and competitive in the market. E-procurement, contract repositories, AP automation, spend analysis, supplier information management, business networks, and contract drafting, and supplier performance management, and other processes are all made possible by new technology. Organizations can then use the procurement process as a way to improve their company's value. Additionally, they can change into customer-focused businesses that will

succeed in the coming 10 years and beyond. The water and sanitation businesses are government-run organizations that are prone to the same procurement problems as other state ministries. In light of this, the current study will seek to evaluate the influence of public regulation on the service delivery of such companies in Murang'a County.

Statement of the Problem

By public regulation, sound policies and practices in public procurement are among the key components of good excellent stewardship and governance. However, the procurement process in Kenya is still accused of inefficiency, corruption, and undercutting costs in addition to secrecy, which results in significant resource waste. According to Musyoka (2022), most government projects are conducted through public procurement, therefore monitoring and assessing implementation procedures is necessary to give service to citizens and obtain value for money (Musyoka, 2022). The Kenya National Bureau of Statistics (2012) reports that Kenya spends over Kshs.150 billion on public procurement, losing 20% due to inadequate procurement practices. According to Kamiya (2018), Kenya has approximately a population of 40 million people, with approximately 17 million (43%) lacking access to safe drinking water. Even though the private sector focuses on companies that provide water supply and sewerage services, corporate firms are increasingly incorporating water governance into their strategy, particularly to deal with regulatory concerns and ensure water allocation. Simultaneously, citizens and user groups, associations have gained greater say and influence in water-related policy decisions. Local studies, such as Spaling et al. (2014); Kwena, & Makori, (2015); Chepyegon, & Kamiya (2018) have discovered notwithstanding governmental investments in the water sector (from \$5 million to \$450 million in 10 years), water and sanitation are still in short supply and poor provision of the said services at 56% and 70%, respectively. This is significantly lower than the Sustainable

Development Goal (SDG) targets despite the budgetary allocation and strict regulation.

Objective of the Study

To investigate the influence of transparent tendering on service delivery of water companies in Murang'a County

Research Hypothesis

H₀₁: There is no statistically significant influence of transparent tendering on the service delivery of water companies in Murang'a County

LITERATURE REVIEW

Public Procurement Regulation in Kenya

The Public Procurement and Asset Disposal Act 2015 governs public procurement in Kenya. It's An Act of the Kenyan Parliament to put Article 227 of the Constitution into effect to provide a process and procedures for ensuring effective and efficient public entities and the disposal of assets by state agencies; and for related purposes. "This law came effective on January 7, 2016, Kenyan state organs and public institutions must adhere to its purchasing, stock management, asset disposition, and contract administration Regulations, except in situations where the Public Private Partnership Act of 2013's provisions already apply, or where procurement and disposal are already covered by the Public Private Partnership Act, 2013. The National Treasury is in charge of Asset disposal and public procurement policy formulation, according to the law, (PPADA ACT, 2015).

The Kenyan system of public procurement has developed from a primitive, unregulated system to a strictly controlled, international standards-compliant one. Kenya has been working to modernize and overhaul its public procurement system since the turn of the millennium. The system evolved from one governed by Treasury Circulars in the 1970s, 1980s, and 1990s to one further governed by the Exchequer and Audit (Public Procurement) Regulation since March 2001. The

Public Procurement and Disposal Act (hereafter referred to as the PPD Act) was enacted by Parliament in 2005 as a consequence of the context of the larger Public Finance Reform. Government agencies and professional associations for public procurement have generally pushed to increase the professionalism of the public procurement workforce (Amayi, F. K., & Ngugi, G. K., 2013). PPRA has lately been concentrating on the professional standing of public procurement in public institutions. The Public Procurement Asset and Disposal Regulation of 2020 has been enacted by water companies to boost economic growth by encouraging investment and the production of value for money, which is the result of several reasons. A majority, the transfer of risk and the output are crucial elements for the drivers who are inexpensive based on specifications which ensure that in all stages value is achieved, the duration of contracts, the measurements of performance, and the greater competitiveness and management in the private sector. Additional crucial elements of the rules aim to speed up project delivery, increase market forces incentives, and cost savings, widespread backing for public-private partnerships, and increase the cost-effectiveness the public sector's calculations.

The Public Procurement and Asset Disposal Regulation of 2020 are designed with the main objective of implementing the Public Procurement and Asset Disposal Act of 2015, which regulates procurement and disposal procedures by procuring agents, are created to ensure justice, openness, and non-discrimination in public procurement institutions (PPADA, 2015, & PPADR, 2020). New requirements for public procurement were established by Article 227 of Kenya's 2010 Constitution. This provision of the constitution requires that public procurement be handled and awarded in an ethical, equal, open, competitive, and economical manner. And also required the Kenyan legislature to draft procurement laws which will guarantee preferential contracting and safeguards for special or disadvantaged communities.

Additionally, it must pass laws that penalize both underperforming contractors and corrupt individuals, tax fraud, and possible breaches of labor laws. The Public Procurement Regulatory Authority regulates public procurement in Kenya (PPRA). The Public Procurement and Disposal Act of 2005 established the Public Procurement Oversight Authority.

Transparent Tendering on Service Delivery

One of the key goals of Kenya's public procurement law is transparency, which is a key guiding principle for excellent public procurement. A clear and open procurement procedure boosts efficiency, enhances competitiveness, and decreases the risk of injustice or dishonesty. People can hold public bodies and politicians accountable under a strong transparency policy, which builds a trustful country's organizations. Transparency possibly helps to make the best-constrained use of growth expenditures and developments, starting from investing in advance through evaluating the outcomes. Much has been accomplished in terms of improving development assistance, and we commit to continue to do so .

The steps that must be taken in the public procurement process are outlined in the Public Procurement Act of 2015 (PPADA) and Regulation of 2020 (Regulation of 2020). They are in charge of making sure the objective of open public procurement is accomplished. Transparency standards are envisioned the availability of review procedures for tender decisions, access to invitations to tenders and any procurement opportunities, tender opening, tender evaluation, and disclosure of the evaluation standards, details on the outcomes of particular procurement transactions, and timely and impartial dispute resolution. Despite the existence of laws to regulate the public procurement process, there have been instances of Lack of openness in the tendering process because of, among other things, the wide-ranging discretionary powers in the procedure leading to the awarding of public tenders. Procuring

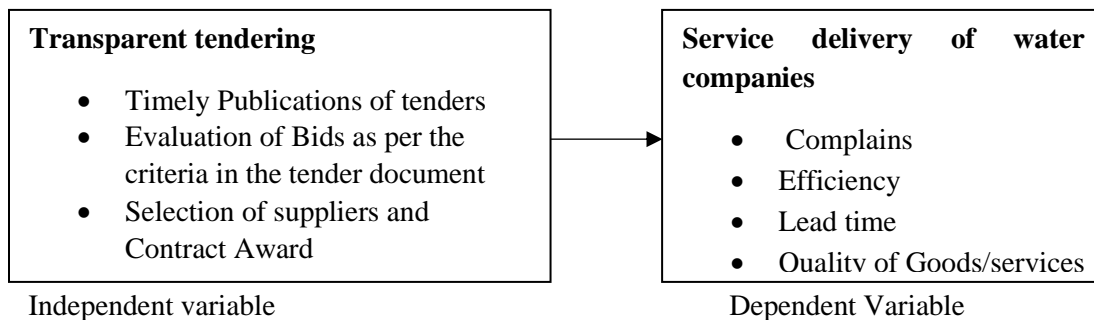
entities are prone to abusing such authority to the harm of bidders (Wakhungu, 2013)

Improved public procurement transparency can, in the appropriate conditions, better service delivery, increased accountability, and, ultimately reduced squandering of government funds. Meanwhile, while striving to improve transparency through expanded access to information, many aspects must be taken into account. One of the crucial areas in which the researcher will be involved is the monitoring of the procurement process and the data it generates (tenders, bids, minutes from technical committees, the results of bid evaluation, etc.). Observers are physically present during bid review meetings under this technique, (Obbiyi, 2019).

Conceptual Framework

After the theoretical review and literature review, the conceptual framework was created by the researcher. Reviews helped to identify the study variables into independent variables and the independent variable. Figure 1.1: Adapted Conceptual model of the influences on public procurement from (Basu, & Mr Suman S, 2020). The framework was created in the context of researching the roles of public regulation on compliance (Nyakundi, A. K., & Muturi, W., 2017) and serves as a helpful plan of action in investigating the extent that any part of public procurement policy is executed in practice is influenced by a number of different factors.

Figure 1. 1 Conceptual Framework



Transparent Tendering

Transparent tendering processes play a critical role in shaping the service delivery of water companies in Murang'a County in the following ways: First, Enhanced Accountability: Transparent tendering processes promote accountability and integrity in the procurement of goods, services, and infrastructure by water companies. When procurement activities are conducted openly and transparently, stakeholders can hold the companies accountable for their decisions and ensure that resources are allocated efficiently and effectively to improve service delivery. Second, Reduced Corruption and Fraud: Transparent tendering helps to mitigate the risks of corruption and fraud in procurement activities. By disclosing information about procurement opportunities, evaluation

criteria, and contract awards, water companies can deter unethical behavior and ensure fair competition among bidders. This fosters trust and confidence among stakeholders and minimizes the likelihood of mismanagement or malpractice.

Third, Fair Competition: Transparent tendering processes promote fair competition among potential suppliers and contractors vying for business opportunities with water companies. When procurement requirements are clearly defined, and selection criteria are impartially applied, all qualified vendors have an equal chance to participate in the bidding process. This encourages innovation, drives down costs, and improves the quality of goods and services procured by water companies. Fourth, Optimized Resource Allocation: Transparent tendering enables water

companies to make informed decisions about resource allocation based on objective criteria and performance indicators. By soliciting competitive bids and evaluating proposals transparently, companies can identify suppliers offering the best value for money and select contractors with the requisite expertise and track record to deliver high-quality services and infrastructure projects. Fifth, Stakeholder Confidence and Trust: Transparent tendering processes build stakeholder confidence and trust in the governance and management of water companies. When procurement activities are conducted openly and in accordance with established rules and Regulation, stakeholders, including customers, regulators, investors, and the general public, have greater confidence in the integrity and reliability of the companies' operations. This positive perception enhances the companies' reputation and facilitates collaboration with external partners and stakeholders to improve service delivery outcomes.

Finally Efficient Project Delivery: Transparent tendering contributes to the efficient delivery of projects and services by water companies. By providing clear guidelines and timelines for procurement activities, companies can streamline the procurement process, reduce administrative delays, and expedite the implementation of projects. This ensures that critical infrastructure and services are delivered in a timely manner to meet the needs of the community and enhance overall service delivery effectiveness.

RESEARCH METHODOLOGY

This study employed a descriptive research design. The target population consisted of customers and 240 employees of procurement department and Heads of user departments and Tender committee (employees appointed to adhoc procurement committees. The procurement department employees are directly involved in the procurement processes and guides user departments while the user departments are affected by regulation, thus making them the most relevant group for this study.

Purposeful sampling was used where the study concentrated on the procurement department, heads of user departments, and Tender committees. They were chosen because they oversee and participate in the entire procurement process in developing and putting in place procurement practices to improve the institutions' service delivery, and thus offered the necessary data for this study. The sample size of 150 was determined by Yamane formulae at 95% confidence level and a P value of 0.05 and distributed among the groups were the procurement department 21 respondents, heads of user departments 53, and Tender committees 76 respondents. Questionnaires were used by the researchers to collect primary data. Received questionnaires were reviewed for completeness. SPSS was used to analyse data into descriptive statistics and reported as percentages, means, standard deviations, and frequencies. Correlation analysis results for transparent tendering (independent) and service delivery in Murang'a County was carried out to show the degree and direction of the relationship between the variables. Simple regression analysis assisted in helping to assess the effect of transparent tendering on service delivery of Murang'a County. The regression analysis model formula was as follows; $Y = \beta_0 + \beta_1 X_1 + \varepsilon$, Whereby: Y = Service delivery, β_0 = Constant of the model, β_1 = Coefficients for the determinant, X_1 = Transparent Tendering and ε = Error term

DATA ANALYSIS, PRESENTATION AND DISCUSSION

Descriptive Statistics for Transparent Tendering

Table 1.1 which displays the effects of the independent variable (Transparent Tendering) on service delivery of Water Companies in Murang'a County is interpreted the basis of mean and standard deviation for each statement. The researcher enquired from employees (respondents) of this study on their rating of accessibility to information to all interested parties of the procurement process and results indicate a moderate level of agreement

(mean of 3.19) that information on public procurement is easily accessible with a standard deviation of 0.682 suggesting relatively consistent responses. The study further enquired on whether the information on public procurement is presented in a user-friendly and easily comprehensive manner for all interested parties to which respondents highly agreed (mean of 4.00) that information on public procurement is presented in a user-friendly manner with a standard deviation of 0.840 suggesting relatively consistent responses.

On whether the information on public procurement is free of cost, the results indicate a high level of agreement (mean of 4.10) that information on public procurement is published free of cost and a standard deviation of 0.700 suggesting relatively consistent responses.

The study wanted to establish whether the information on public procurement statistics, records, and documents that cover the entire budget execution cycle, including the procurement process are published for interested parties to which respondents highly agreed (mean of 4.21) that comprehensive information on public procurement is available and a standard deviation of 0.691 suggests relatively consistent responses. The study further enquired on whether the policymakers and external stakeholders were allowed to monitor results, outcomes, and performance of the procurement processes to which responses indicate a very high level of agreement (mean of 4.66) that policymakers and external stakeholders are allowed to monitor procurement processes with low standard deviation of 0.477 suggesting strong consensus among respondents.

On whether tenders were advertised/published/uploaded on time, results indicate a moderate level of agreement (mean of 3.14) that tenders are

advertised/published/uploaded on time and the high standard deviation of 1.30 suggests more variability in responses where responses differed to extremes. The study wanted to know whether the evaluation of bids is carried out as per the criteria in the tender document and results show that respondents highly agreed (mean of 4.37) that bid evaluation is carried out as per the criteria in the tender document and a standard deviation of 0.725 suggests relatively consistent responses. Finally, the study wanted to establish whether the whole process of selection and contract award is done as per the PPADA Act 2015 to which results indicate a moderate level of agreement (mean of 3.31) that selection and contract award are done following the PPADA Act 2015 however a high standard deviation of 1.36 suggests more variability in responses.

These findings are consistent with those of Bauhr, M., & Carlitz, R. (2021), who contend that increased transparency reduces the risk of increased unethical practices and financial misuse while also increasing the likelihood that service quality will be improved. Transparency has also made it possible for citizens and governments to interact in a mutually responsive manner. Transparency tendering promotes trust in government and reduces corruption by allowing citizens and the market to hold institutions responsible for their policies and performance. One of the main goals of the public procurement law in Kenya is transparency, and those in charge of implementing it are supposed to make sure that this goal is achieved. The regulation establishes transparency requirements at all phases of public procurement since accountability is a key component of any system, whereas discretion generates information inconsistencies and, when transparency is lacking, permits authorities to direct public services inefficiently, (Bauhr, M., & Carlitz, R., 2021).

Table 1.1. Transparent Tendering

Transparent Tendering	N	M	Std.D
Information on public procurement easily accessible for all interested parties	91	3.19	.682
Information on public procurement is presented in a user-friendly and easily comprehensible manner for all interested parties to understand the procurement processes	91	4.00	.84
Information on public procurement is Published free of cost	91	4.10	.700
Information on public procurement statistics, records and documents that cover the entire budget execution cycle, including the procurement process are published for interested parties	91	4.21	.691
policy makers and external stakeholders are allowed to monitor results, outcomes and performance of the procurement processes	91	4.66	.477
Tenders are advertised/published/ uploaded on time	91	3.14	1.30
Evaluation of bids in your company carried out as per the criteria in the tender document	91	4.37	.725
Selection and contract award is done as per the PPADA Act 2015	91	3.31	1.36

Descriptive Statistics for Service Delivery

Respondents were asked to rate their agreement level of whether when goods are delivered in time which enhances employee work to which on average, respondents rated this statement as 4.16 out of 5, indicating a high level of agreement that timely delivery of goods enhances employee work. The relatively low standard deviation suggests that responses were relatively consistent around this mean value. The researcher also required to establish whether there is accessibility in the services in their organization since the goods/services are delivered in time and results indicates that respondents rated this statement slightly higher, with a mean of 4.20, indicating a strong agreement that timely delivery of goods/services improves accessibility to services within the organization and the standard deviation of 0.687 suggests a moderate level of variability in responses. Further, the researcher to know whether the goods delivered are safe which improves service delivery whereby this statement received a high mean rating of 4.34, suggesting a strong consensus among respondents that safe delivery of goods contributes to improved service delivery and the standard deviation of 0.734 indicates relatively consistent responses.

The researcher further wanted to confirm whether the complaints from user departments in the Company were minimal to which respondents highly agreed with the statement, with a mean rating of 4.85, indicating minimal complaints from user departments and a low standard deviation of 0.363 suggesting a high level of consensus among respondents. The study went further to inquire whether deliveries were made within the timelines specified in the order/contract to which respondents posted a slightly lower mean rating of 3.76, indicating a moderate level of agreement that deliveries are made within specified timelines and a higher standard deviation of 0.935 suggesting more variability in responses compared to other statements. Respondents were also required to whether there is improved quality of projects undertaken by the Company and the results of respondents indicate a high agreement (mean of 4.65) that the quality of projects undertaken by the company is enhanced with a low standard deviation of 0.480 suggesting a high level of consensus among respondents.

On whether suppliers delivered goods/services that were appropriate, this statement received a lower mean rating of 3.30, indicating a more varied response regarding whether suppliers deliver appropriate goods/services and the higher standard

deviation of 1.362 suggests more variability in responses. On the readily availability of goods/services in the company, respondents rated this statement relatively high (mean of 4.49), indicating agreement that the availability of goods/services has improved service delivery with a standard deviation of 0.751 suggesting relatively consistent responses. Finally, the researcher wanted to know how employees (respondents) rated themselves on the services provided by their organization to which the statement received a moderate mean rating of 4.12, suggesting a moderate level of agreement that the services provided in the organization are satisfactory

however the higher standard deviation of 1.357 indicates more variability in responses.

The results are similar to that of Anane (2019), who claims that procurement policy generally contributes to making service delivery more effective. Different facets of regulation have a clear impact on the procurement cycle, which has an impact on service. For example, a regulation that encourages transparency and integrity in the cycle had a good impact on the procurement cycle. Service delivery is improved by procurement firms with sound procurement policies.

Table 1.2. Service Delivery

Service Delivery	N	M	Std.D
The goods were delivered on time which enhanced employee work	91	4.16	.654
There was accessibility to the services in the organization since the goods/services were delivered on time	91	4.20	.687
The goods delivered were safe which improved service delivery	91	4.34	.734
Complaints from user departments in the Company were minimal	91	4.85	.363
Deliveries were made within the timelines specified in the order/contract	91	3.76	.935
There was Improved the quality of projects undertaken by the Company is enhanced	91	4.65	.480
The suppliers delivered goods/services that were appropriate	91	3.30	1.362
There was availability of the goods/services which led to improved service delivery	91	4.49	.751
The services provided in our organization are satisfactory	91	4.12	1.357

Regression analysis

Model Summary for Transparent Tendering on Service Delivery

The Model Summary in Table 1.3 provides an overview of how well the regression model, with Transparent Tendering as the predictor variable, fits the data for predicting the Service Delivery of water companies. The correlation coefficient (R) measures the strength and direction of the linear relationship between the independent variable (Transparent Tendering) and the dependent variable (Service Delivery). In this case, $R = 0.929$, indicating a strong positive correlation between Transparent Tendering and Service Delivery. The coefficient of determination (R^2) represents the

proportion of variance in the dependent variable (Service Delivery) that is explained by the independent variable (Transparent Tendering). Here, $R^2 = 0.864$, indicating that approximately 86.4% of the variance in Service Delivery can be explained by Transparent Tendering. Adjusted R^2 considers the number of predictors in the model and adjusts R^2 accordingly. It provides a more accurate estimate of how well the model fits the data, particularly when comparing models with different numbers of predictors. Here, Adjusted $R^2 = 0.859$, which is slightly lower than R^2 but still indicates a good fit of the model. Standard Error of the Estimate metric represents the average difference between the actual values of the dependent variable and the predicted values by the regression model. A lower

value indicates a better fit of the model to the data. In this case, the standard error of the estimate is 0.13325. Overall, the Model Summary suggests that the regression model with Transparent Tendering as

the independent variable provides a strong fit to the data, explaining a significant proportion of the variance in Service Delivery of water companies.

Table 1.3. Model Summary for Transparent Tendering

Model	R	R Square	Adjusted R Square	Std. Error o
1	.929 ^a	.864	.859	.13325

a. Predictors: (Constant), Transparent Tendering

ANOVA for Transparent Tendering

The ANOVA table presented provides information about the overall fit of the regression model for predicting the dependent variable (service delivery of water companies) based on the independent variable (Transparent Tendering), as well as the significance of the model. The sum of squares for regression (9.794) represents the explained variation in the dependent variable by the independent variable. The sum of squares for residuals (1.545) represents the unexplained or residual variation in the dependent variable. The F-statistic (183.857) is a ratio of the mean square for

regression to the mean square for residuals. It indicates the overall significance of the regression model. The p-value associated with the F-statistic is less than 0.05 ($p < 0.05$), indicating that the regression model is statistically significant. This suggests that the variation in service delivery of water companies can be significantly explained by the variation in Transparent Tendering. Generally, the ANOVA results suggest that the regression model, which includes Transparent Tendering as an independent variable, provides a statistically significant explanation of the variation in service delivery of water companies. The results are shown in Table 1.4.

Table 1.4. ANOVA for Transparent Tendering

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	9.794	3	3.265	183.857	.000
Residual	1.545	87	.018		
Total	11.338	90			

a. Dependent variable: service delivery of water companies

Coefficients for Transparent Tendering

The model-established regression equation was *Service Delivery = 7.756 + 0.5* (Transparent Tendering)*. In the regression model presented, the coefficient for "Transparent Tendering" is 0.50. This coefficient represents the change in the dependent variable (service delivery of water companies) for a one-unit change in the independent variable (Transparent Tendering), holding all other variables constant. A positive coefficient indicates a positive relationship between Transparent Tendering and service delivery. In this case, as the level of Transparent Tendering increases, the

service delivery of water companies tends to increase. The coefficient value of 0.50 suggests that, on average, for each unit increase in Transparent Tendering, the service delivery of water companies is expected to increase by 0.50 units. The t-value associated with the coefficient is 3.231, and the corresponding p-value is less than 0.05 ($p < 0.05$). This indicates that the coefficient for Transparent Tendering is statistically significant, meaning that the relationship between Transparent Tendering and service delivery is unlikely to be due to random chance. The standardized coefficient (Beta) provides a measure of the strength of the

relationship between Transparent Tendering and service delivery, taking into account the variability of the variables. In this case, the Beta value of 0.282 suggests a moderate positive relationship between Transparent Tendering and service delivery. Generally, these results suggest that Transparent

Tendering has a statistically significant and positive impact on the service delivery of water companies. Increasing transparency in the tendering process is associated with improvements in service delivery outcomes.

Table 1.5. Coefficients for Transparent Tendering

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	7.756	.218		35.617	.000
Transparent Tendering	.50	.043	.282	3.231	.000

a. Dependent variable: service delivery of water companies

Hypothesis Testing

To test a hypothesis regarding the impact of transparent tendering on service delivery, the researchers employed quantitative results of Table 1.5 for the Coefficients summary. Hypothesis postulated that, *H₀*: There is no statistically significant influence on transparent tendering on service delivery of water companies in Murang’a County. The results of multiple regression revealed that transparent tendering has a p-value = .000. Since the p-value is less than < 0.05, the null hypothesis was rejected. It was then concluded that there is a significant relationship between transparent tendering and service delivery of water companies in Murang’a County.

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Summary: Transparent Tendering

The study aimed to assess the transparency of the tendering process, with respondents providing their perceptions on various aspects related to public procurement. The findings indicate a positive perception towards transparency in public procurement processes such as; information on public procurement is readily accessible to all interested parties, presented in a user-friendly manner, and published free of cost, statistics, records, and documents covering the entire budget

execution cycle, including procurement processes, are available for interested parties, Policy makers and external stakeholders are allowed to monitor the results, outcomes, and performance of the procurement processes. However, there are areas for improvement identified, such as ensuring timely advertisement/publication/uploading of tenders, and ensuring that evaluation of bids and selection/contract awards are carried out by the PPADA Act 2015. These findings align with the research of Bauhr, & Carlitz (2021), who argue that increased transparency in procurement processes reduces the risk of unethical practices and financial misuse, and enhances service quality. Transparency also fosters trust in government, reduces corruption, and allows citizens and the market to hold institutions accountable for their actions. In Kenya, public procurement law emphasizes transparency as a key goal, aiming to ensure accountability throughout the procurement process. By adhering to transparency requirements, authorities can mitigate information inconsistencies and ensure that public services are directed efficiently. Ultimately, transparency in tendering processes promotes good governance and enhances public trust in government institutions.

Summary: Service Delivery

The findings from the respondents' evaluations of service delivery statements indicate positive

perceptions across various aspects. Goods are delivered on time, enhancing employee productivity and highlighting efficient delivery processes, accessibility to services is high due to timely delivery of goods/services indicating easy access to necessary items, the delivered goods are safe, contributing to improved service delivery and emphasizing safety standards, Complaints from user departments are minimal reflecting high satisfaction levels among users deliveries are made within specified timelines indicating adherence to agreed-upon schedules. The quality of projects undertaken by the company is enhanced showing a focus on delivering high-quality outcomes, Suppliers deliver goods/services that are appropriate indicating a mixed perception regarding the suitability of delivered items, and availability of goods/services has improved service delivery suggesting sufficient availability of required items and that the services provided by the organization are satisfactory indicating general satisfaction with the services received. These results align with Anane's (2019) assertion that procurement policies play a crucial role in enhancing service delivery effectiveness. Regulations promoting transparency and integrity in procurement contribute positively to service delivery outcomes. Overall, the findings suggest that water companies in the surveyed area are perceived to operate efficiently and effectively in meeting the demands of their organizations.

Conclusion: Transparent Tendering

In conclusion, the findings of the study suggest an overall positive perception towards transparency in the tendering process within public procurement. Respondents demonstrated a favourable view regarding the accessibility and presentation of procurement-related information, as well as the involvement of stakeholders in monitoring procurement processes. However, there are notable areas for improvement identified, particularly in ensuring the timely advertisement and evaluation of tenders, and adherence to legal regulations governing bid evaluation and contract awards.

Addressing these areas of improvement can further enhance transparency and accountability in public procurement processes, ultimately contributing to more efficient and effective service delivery.

Conclusion: Service Delivery

The evaluation of service delivery statements by respondents reveals overall positive perceptions regarding various aspects of service provision within the organization. First, the timely delivery of goods is highlighted as enhancing employee productivity, indicating efficient delivery processes and a commitment to meeting operational needs promptly. This underscores the organization's reliability and responsiveness in fulfilling its obligations. Further, the accessibility of services is perceived to be high due to the timely delivery of goods and services, facilitating easy access to necessary items and resources. This contributes to operational efficiency and ensures that users can readily access the required materials to perform their tasks effectively. Moreover, the safety of delivered goods is emphasized, indicating adherence to safety standards and a commitment to ensuring the well-being of users. This underscores the organization's focus on delivering quality outcomes while prioritizing the safety and security of its stakeholders. Additionally, minimal complaints from user departments reflect high satisfaction levels among users, suggesting that the organization's service delivery efforts meet or exceed user expectations. This indicates a strong emphasis on customer satisfaction and a proactive approach to addressing user needs and concerns. While there may be mixed perceptions regarding the suitability of delivered items, overall satisfaction with the services provided by the organization suggests that service delivery efforts are generally meeting the needs and expectations of stakeholders. In conclusion, the positive perceptions expressed by respondents across various service delivery aspects underscore the organization's commitment to excellence, reliability, and customer satisfaction. By prioritizing efficiency, safety, timeliness, and

quality in service provision, the organization demonstrates its dedication to meeting stakeholder needs and delivering value-added services.

Recommendations: Transparent Tendering

Based on the conclusions drawn from the study, recommendations can be made to further improve transparency in the tendering process within public procurement:

- **Enhance Timeliness:** Efforts should be made to ensure that tenders are advertised, evaluated, and awarded in a timely manner, as delays in these processes can undermine transparency and efficiency. Implementing clear timelines and deadlines for each stage of the procurement process can help streamline operations and prevent unnecessary delays
- **Strengthen Communication and Sensitization:** Enhance communication strategies and sensitization efforts before tender advertisement. To and provide an even playing field for all parties involved. This will help raise awareness among potential bidders and guarantee a level playing field for all parties involved. Clear guidelines, workshops, and training sessions can be organized to familiarize stakeholders with procurement processes, requirements, and the importance of adherence to fair practices.

REFERENCES

- Akpan, I. J., Soopramanien, D., & Kwak, D. H. (2021). Utting edge technologies for small business and innovation in the era of COVID-19 global health pandemic. *Journal of Small Business & Entrepreneurship*, 33(6), 607-617.
- Amayi, F. K., & Ngugi, G. K. (2013). Determinants of public procurement performance in Kenya: Case Ministry of Environment, Water and Natural Resources. *International Journal of Social Sciences and Entrepreneurship*, 1(5), 647-667.
- Anane, A. (2019). The Effect of Procurement Practices on Service.
- Anthony, A. (2018). The use of e-procurement in South African public procurement law: Challenges and prospects. *Law, Democracy & Development*, 22(1), 39-47.
- Basheka, B. (2017). Basheka, B. (2017). Public procurement reforms in Africa: A tool for effective governance of the public sector and poverty reduction. In *International handbook of public procurement* (pp. 131-156). Routledge.
- Basu, Mr Suman S. (2020). A conceptual model for the integrated policy framework. *International Monetary Fund*.
- Bauhr, M., & Carlitz, R. (2021). Then does transparency improve public services? Street-level discretion, information, and targeting. *Public Administration*, 99(3), 500-516.
- Bolton, P. (2009). The Law of Government Procurement in South Africa. *Speculum Juris*, 23(2), 1-25.
- Bovis, C. (2020). The priorities of EU public procurement regulation. In *ERA Forum*, 21, 283-297. Springer Berlin Heidelberg.
- Boyd, D. E. (2015). The influence of self-control on supplier-buyer relationships. *Journal of Business Research*, 68(12), 2619-2625. <https://doi.org/10.1016/j.jbusres.2015.04.002>
- Brearley. (2020). How Leaders Can Fix Unclear Roles and Responsibilities.
- Constitution. (2010). Institutional Reform in the New Constitution of Kenya.
- Chepyegon, C., & Kamiya, D. (2018). Challenges Faced by the Kenya Water Sector Management in Improving Water Supply Coverage. *Journal of Water Resource and Protection*, 10, 85-105. DOI: 10.4236/jwarp.2018.101006.

- Czarnitzki, D., Hünermund, P., & Moshgbar, N. (2020). Public procurement of innovation: Evidence from a German legislative reform. *International Journal of Industrial Organization*, 71, 102620.
- Kamiya, C. a. (2018). Challenges faced by the Kenya water sector management in improving water supply coverage. *Journal of Water Resource and Protection*, 10(1), 85-105.
- Kostova, T. N. (2018). Understanding agency problems in headquarters-subsidiary relationships in multinational corporations: A contextualized model. *Journal of Management*, 44(7), 2611-2637.
- Kwena, R., & Makori, M. (2015). Determinants of Sustainability of Rural Water Projects in Kenya: A Case Study of the Netherlands Development Organisation (SNV) Supported Water Schemes in Kajiado County. *Strategic Journal of Business & Change Management*, 124, 2025-2077.
- Makabira. (2014). Kenyan corporate organizations perform in relation to their procurement practices.
- Makori, K. &. (2021). Determinants of Sustainability of Rural Water Projects in Kenya.
- Manasse. (2021). Effects of the Public Procurement and Disposal Act of 2015 on the Financial Management of the State Corporations in Kenya: A Case Study of Agriculture and Food Authority. *Young African Leaders Journal of Development*, 3(1), 25.
- Musyoka, G.K. (2022). Porter's Generic Competitive Strategies and Firm Performance of Mobile Telephone Network Service Providers in Kenya. *Strategic Journal of Business & Change Management*.
- Mutangili. (2021). Challenges Influencing Compliance to Public Regulation in Kenya. *Journal of Procurement & Supply Chain*, 5(1), 24-34.
- Muwasco. (2020). MUWASCO Policy.
- Nyakundi, A. K., & Muturi, W. (2017). Effects Of Compliance In Public Regulation On The Performance Of Procurement Functions Within The Universities In Kenya: A Case Study Of Kisii University.
- Obbiyi. (2019). Factors Influencing Tendering Process in the Implementation of Road Construction Projects.
- OECD (2017), *Economic Policy Reforms 2017: Going for Growth*, OECD Publishing, Paris, <https://dx.doi.org/10.1787/growth-2017-en>.
- PPADA ACT, P. P. (2015). *Public Procurement Asset and Disposal ACT*.
- Public Procurement Oversight Authority, (2010). *PPOA Journal: October Edition*, PPOA: Nairobi. Public Procurement Oversight Authority, (2010). *Background Information: Nairobi: PPOA*.
- Public Procurement Oversight Authority, (2011). *Final report procurement review of Egerton University*
- Sempele, B. S. (2017). *An Analysis of Kenya Vision 2030's Efforts towards Achieving Sustainable Development Goal 10* (Doctoral dissertation, United States International University-Africa).
- Spaling, H., Brouwer, G., & Njoka, J. (2014). Factors affecting the sustainability of a community water supply project in Kenya. *Development in Practice*, 24(7), 797-811.
- Tifow. (2014). *Modelling the key determinants of child labour in Somalia* (Doctoral dissertation, University of Nairobi).

Turley, S., & Perera, H. (2014). *Advanced Auditing and Assurance*. 4th Edition. McGraw-Hill Education

Wakhungu, M. N. (2013). *Transparency in the award of public tenders in Kenya*.

Walls, J. L., Phan, P. H., & Berrone, P. (2012). Measuring environmental strategy: Construct development, reliability, and validity. *Business & Society*, 51(1), 72-110. <https://doi.org/10.1177/0007650310394427>

World Bank (2020). *Global Public Procurement Database*. <https://www.worldbank.org/en/news/feature/2020/03/23/global-public-procurement-database-share-compare-improve>, Retrieved on 11 April, 2024.

Yamane, T. (1997). *Statistics, an Introductory*.

Yegon, B. K. (2018). *Determinants of Procurement Contract Management of Selected State Corporations in Nakuru County, Kenya*.