INFLUENCE OF TRAINING ON YOUTH ACCESS TO PUBLIC PROCUREMENT OPPORTUNITIES IN YOUTH BASED ORGANIZATIONS IN NYERI COUNTY, KENYA

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Abstract: The main purpose of the study was to establish influence of training on youth access to public procurement opportunities in youth based organizations. Anchored on institutional theory, the study surveyed 120 youths who owned various enterprises in Nyeri County. Stratified random sampling technique was employed to obtain a sample of 61 respondents who participated in the study. A structured questionnaire was used to gather data Pilot study was undertaken whereby by reliability and validity of the questionnaire was established before the main study. Upon data collection, the data were first sorted then coded and analyzed with the aid of Statistical Package for Social Sciences (SPSS). Data was analyzed using both descriptive and inferential statistical techniques. Findings from regression model showed that training influences access to procurement opportunities in Nyeri County. The study, therefore recommends that the county government coupled with other government enterprises ought to timely and objectively provide adequate procurement information as well as training to the youth to pave way for a transparent bidding process.

Keywords: Public Procurement, Regulatory Framework, Youth Based Organizations

1. Introduction

Procurement is the function of management that identifies sources, acquires and manages externally sourced materials that an organization requires or may require to achieve its strategic objectives (CIPS Australia, 2013). Therefore public procurement is whereby a public entity or organization identifies, sources, acquires and manages externally sourced materials that an organization requires for its strategic objectives. Procurement as defined by the Public Procurement and Asset Disposal Act (PPADA) of 2005 entails acquisition of works, products or services, live animals or goods and services either by buying, leasing, licensing, franchising, hire purchase or by legal or contractual means.

According to the United Nations (1981) the youth are individuals between the age of 15 and 24. The foregoing definition was coined for statistical purposes, without prejudice to other definitions by Member States. This definition was used by the United Nations Secretary-General in 1981 in his report to the General Assembly on International Youth Year. The Kenya National Youth Policy (2006) defines youths as persons resident in Kenya in the age bracket 15 to 30 years. This definition takes into account the physical, psychological, cultural, social, biological and political context of the term.
The Population Reference Bureau (2013) states that youth aged between 10-24 years makeup 25% of the total world population. The youth in Kenya under the stated age bracket are 32% of the Kenyan population. It is averred that the Kenyan youth have great potential and zeal to enhance growth in productivity. In the same light, the youth, when cast aside, pose social stability risk that may hurt economic development of the country (Republic of Kenya, 2013). Gitari (2014) argues that public procurement is paramount in integrating the youth into the economy, as such household income will rise, and poverty will reduce, spur investment and growth, and enhance Kenya’s competitiveness.

Public procurement systems are central to the effectiveness of development expenditure. Budgets get translated into services largely through the purchase of goods and services by governments. Indeed, an approximate 18.42% of the world’s Gross Domestic Product (GDP) goes to public procurement (Mahmood, 2010). The public procurement is a vital component of a country’s public administration that links the financial system with economic and social outcomes (Schapper & Veiga Malta, 2011). It is seen as an objective and efficient way of contracting between the state and private entities (Schooner, 2012) and is widely used to promote socio-economic development objectives of a nation, for instance the economic progress of disadvantaged groups (Arrowsmith, 2010).

The state of government procurement greatly determines the governance and performance of community services and cuts across almost every area of planning, program management, and budgeting. It is therefore, an important market in any economy as it consumes a substantial percentage of public revenue of a country (Schapper & Veiga Malta, 2011). In Kenya, the unemployment rate of the youth has escalated. It is estimated to be 21%, which is twice as that in adult average. More alarming statistics indicate that the unemployment is a real problem with 38% of the youth neither in school nor engaging in meaningful work. Joblessness has rocked the country and the majority population which are the youth bear the brunt (Republic of Kenya, 2007).

1.1 Problem Development

When youth have access to the 30% procurement opportunities reserved for them by the government of Kenya, then we can expect to see self employed and empowered youths, who can depend on themselves and improve the Kenyan economy, as youth unemployment has been a big challenge to the Kenyan government and its stakeholders as well as developing countries. Gatere and Shale (2014) in their study on the challenges affecting the implementation of access to government procurement opportunities for special interest groups in Kenya concluded that the legal framework has a duty to facilitate the implementation of access to government procurement opportunities for Special Interest groups in Kenya.

However, several years later after the presidential directive to reserve 30% of government procurement opportunities for youths, the youths are yet to fully access the procurement opportunities with a number of youth owned businesses struggling or collapsing altogether. According to (Wanderi, 2014) Many MSE owned by youth, women and persons with disability in Kenya have been applying to access government procurement opportunities.

The ability of youths to access procurement opportunities can be boosted by training the youths on E-procurements as well as public procurement procedures which will put them at a competitive edge, learning more about procurement information which include having skills to use available information. Locally, there are Studies conducted on accessibility to public procurement opportunities in general. For instance, Gitari and Kabare (2014) analyzed the factors affecting access to procurement opportunities in public secondary schools by small and medium enterprises in Kenya. However, he did not address the factors affecting the Youth, involvement in public procurement.
Gatare and Shale (2014) investigated the challenges affecting the implementation of access to government procurement opportunities for Youth, women & persons with disabilities in Kenya: A case of Nairobi County. They did not consider the challenges that youth face in the process of accessing procurement opportunities which need to be investigated, thus this study is meant to investigate how training influence youth access to public procurement opportunities in Nyeri County.

2. Theoretical framework

This study was informed by Institutional Theory. Institutional theory was proposed by DiMaggio and Powell (1983). The theory holds that the institutional environment can strongly influence the development of formal structures in an organization, often more profoundly than market pressures. Innovative structures that improve technical efficiency in early-adopting organizations are legitimized in the environment. Ultimately these innovations reach a level of legitimization where failure to adopt them is seen as "irrational and negligent" (or they become legal mandates). At this point new and existing organizations will adopt the structural form even if the form doesn't improve efficiency. The basic concepts and premises of the institutional theory approach provide useful guidelines for analyzing organization-environment relationships with an emphasis on the social rules, expectations, norms, and values as the sources of pressure on organizations. This theory is built on the concept of legitimacy rather than efficiency or effectiveness as the primary organizational goal (Doug & Scott, 2004). The environment is conceptualized as the organizational field, represented by institutions that may include regulatory structures, governmental agencies, courts, professionals, professional norms, interest groups, public opinion, laws, rules, and social values. Institutional theory assumes that an organization conforms to its environment. There are, however, some fundamental aspects of organizational environments and activities not fully addressed by institutional theory that make the approach problematic for fully understanding credit reference bureaus and their environment: the organization being dependent on external resources and the organization’s ability to adapt to or even change its environment (Doug & Scott, 2004). This theory is used to explain training and sensitization on youth access to public procurement opportunities.

2.1 Empirical Review

According to Gakure (2001), training is a learning activity, which is aimed attainment of specific knowledge and skills for the purpose of an occupation. It focuses on the job task. The training can be both formal and informal and is usually carried out to assist a person understand and perform his/her job better. Today’s business environment can be characterized as changing. The accelerated pace of advances in technology, increasing foreign competition, widespread and growing unemployment creating serious adjustment problems, and diminishing resource supplies have affected the way business is conducted. This complex and unstable environment is a way of life, which will continue far into the future (Buckley, 1993).

Rasmussen & Sorheim (2006) argue that entrepreneurship training has traditionally focused on teaching individuals, but many initiatives are increasingly becoming more action-oriented, emphasizing learning by doing. In their paper they present a number of action-based activities at five Swedish universities. The cases demonstrate that business entrepreneurship education centers less around teaching people in a classroom and more on learning-by-doing exercises in a group and system setting. Given that past research results have consistently found SME training and sensitization to result in better company performance, even under different cultural settings such as the Netherlands, Spain, Hungary, and China (Mullei, 1999), it is expected that implementation of AGPO-related training and sensitization programs will lead to higher firm performance in Youth Suppliers. This statement underpins the essence of training and advancement in the national economic development process. It becomes significant point of reference especially since most developing countries are
responding to many challenges of the industrial development by implementing new programs, which calls for new expertise and new orientation of work. This usually means changes in specific knowledge, skills, attitudes or behaviors. Training and sensitization should be designed to achieve the goals of the organization while simultaneously attaining the goals of individual employees (Gakure, 2001).

The policy makers for public procurement perceive the significance of suppliers in the economy (McCrudden, 2005). Public procurement acquirement can aid in the advancement of a powerful and productive SME segment by giving proper channels to suppliers. The SMEs are for the most part kept running by special groups to show their abilities and capacities, including the procurement of merchandise which enables suppliers to create and exhibit innovative goods (McCrudden 2005). Procurement was before, was considered for the most part as an operational activity as opposed to a key vital capacity in the business planning process. Public purchasers focused on compliance with principles and systems set down in rules, guidelines or EU directives to look for an incentive for cash results from procurement while observing important models of integrity and business ethics (Thai et al., 2009).

The Republic of Uganda (ROU, 2011), conducted a survey on SME access to the procurement market with a view of establishing the challenges faced. The survey deduced that Suppliers were not faring well in the procurement market. Whilst there was clearly a proportion of Suppliers which are both able to effectively tender for work and rely heavily on these types of contracts; there was also a much larger proportion of Suppliers which are unable to successfully participate. The reasons most cited included insufficient knowledge therefore being rated poorly on technical capacity by buyers. From the survey, most public entities cited that working with Suppliers is frustrating with a considerable portion having been awarded contracts and not delivered. Obanda, (2011) analyzed the strategic and management interventions that can enable youth suppliers in Uganda obtain public procurement contracts to maximize sustainability in the respect of inclusive growth. It was noted that the challenge Suppliers face in accessing public contracts also depends on how they themselves increase their capacity to fulfill government contracts. The study recommended among other things that governments in developing economies should play a significant role in eliminating the supply side constraints. Waltermeyer (2003) study of preferential procurement systems particularly in South Africa established that among other factors affecting the success of these policies is the inherent level of education and skill among the target groups of these systems. Thus, these groups may not benefit from such preferential procurement systems.

2.2 Access to Government Procurement Opportunities

Government procurement can be a politically touchy process. The measure of government offers combined with the way that it includes open finances implies that the natives of any nation should share these offers even handed Benton et al., (2014). The AGPO is for youths, people with disability and women’s obtainment program which has its beginning in the promise the Jubilee Party made to apportion the KShs. 6 billion that was intended for the presidential run-off to youth and ladies gatherings. The standards and norms of UwezoFund center on openness, accountability and enhancing financial progress among other norms. Portrayal, to guarantee the incorporation of all Kenyans including ladies, youth, and people with disabilities chose parliamentary delegates and separate government authorities SMEDA (2012). Responsibility; to guarantee government is considered dependable to the residents for its choices and activities (Republic of Kenya 2013). Openness: ensuring availability at the most minimal level of commitment and for the biggest class of beneficiaries utilizing a basic, organized and minimum cost approach. Economy: utilization of the best yet slightest cost instrument to accomplish the coveted goal.
2.3 Training

Training is focusing on fixing a specific issue. Sensitization is the Creation of awareness and providing information to an individual to enable them achieve their goals (Baron & Shane, 2007).

Training is related with current performance and progress of an employee (Miller, 2006). Training is anything offering learning experience (Paul & Anantharaman, 2003) Training and sensitization helps the youths in understanding more about the public procurement and its procedures and as a result increases youth awareness and makes them work better. In today’s business world, youths skills which are necessary to do their own businesses instead of looking for formal employment are only possible through training and sensitizing the youths. Most of the companies train their employees in such a manner that would help them to sustain their abilities and capabilities throughout their careers. This kind of training can lead to high levels of motivation and job satisfaction by the employees, who actually see the opportunity they are given (Chiaburu and Tekleab, 2005). Training in procurement is believed to promote policy compliance and ethics required in this particular field. Training can educate public buyers about policy expectations and raise awareness over what actions they should take to translate these same expectations into practice (Coggburn and Rahm, 2005; Mwakibinga and Buvik, 2013).

Governments can provide technical assistance and training services specific to Suppliers and/or youth owned businesses interested in participating in the procurement process. This could include managerial training, financial management, understanding the public procurement process, access contract opportunities, etc. This support can be provided independent of the actual tendering process or in tandem (Mwakibinga and Buvik, 2013). Technical assistance does not influence the cost competitiveness of the bidder. The technical aid the bidder to take part in the procurement process (Arrowsmith, 2010). However, as a disadvantage it can be ineffective in assisting Suppliers when governments do not have the necessary expertise due to lack of professionalization and/or systemization of the procurement process. Training, as opposed to technical assistance, can be used to teach many people at once, however a 'one size fits all' approach may not always be appropriate.

According to Landale (2006), training is the process of acquiring knowledge and competency by the team who participate in the public tendering process for efficient and effective service delivery. Through training participants acquire new sets of values and attitudes. The appreciation of their inherent but untapped potential and reinforce their self-confidence and sense of autonomy as opposed to dependency (Osborn et al 2003). For any project to be implemented successfully people involved must be trained.

3. Material and methods

The study used descriptive research design to help in indicating trends in attitudes and behaviors and enable generalization of the findings of the research study to be done. In this case the study targeted 120 youth suppliers located in Nyeri County where this population is categorized to their respective sub counties. Stratified random sampling technique was employed to draw a sample of 61 youth suppliers from the target population of 120 Nyeri county youth suppliers. According to Kothari, (2003) stratified sampling method ensures a greater statistical efficiency that reduces sampling errors. According to Kothari (2004), a representative sample is one which is at least 10% of the population. Mugenda and Mugenda (2003) hold that 10% of the accessible population is adequate to serve as a study sample. A 51% of the total population of 120 elements that translated to a sample size of 61 respondents was sufficient. The study relied on primary data.
which was collected by issuing questionnaires which had closed ended questions. The content validity of the
research instruments was ensured through expert judgment that was provided by my supervisor. Cronbach’s
alpha formula was used in calculating the reliability of data. A coefficient of at least 0.7 or higher is accepted
(Kothari, 2004). Descriptive statistics that entailed frequencies, percentages and standard deviations were used
to analyze data. In addition, Pearson’s Product Moment Correlation was employed to ascertain the relationship
between youth access to procurement opportunities and financial resources, training and sensitization,
procurement information, and regulatory framework. The effect of independent variables on dependent
variable was also presented using the regression model below.

\[ Y = \beta_0 + \beta_1 X_1 + \epsilon \]

Where;

Y = Youth access
\( \beta_0 \) = a constant (coefficient of intercept)
\( X_1 \) = Training
\( \beta_1 \) = regression coefficient of four variables.
\( \epsilon \) = is the error term.

4. Findings and Discussions

This section provides findings have been presented by statistical tables. The researcher achieved a response
rate of 91.8% since 56 out of 61 issued questionnaires were filled and returned. Mugenda and Mugenda (2012)
noted that response rate of 80% and above is highly sufficient for a research study. Therefore, 91.8% was
adequate for the study.

5. Descriptive Findings

Descriptive analysis was carried out to describe the effect of training, procurement information, regulatory
framework and procurement processes on access to procurement opportunities among youths.

Findings indicated that respondents strongly admitted (mean=4.30; std. dev=.570) that youth access to public
procurement was not adequate. They agreed (mean=4.18’ std. dev=.740) that there was limited procurement
opportunities for youth. 53.6% of the respondents agreed (mean=4.29; std. dev=.624) that frequency of youth
supplying to government entities was still low. They agreed (mean=4.02; std.dev=.774) that there was low
percentage of youth beneficiaries in regard to public procurement. 58% agreed that county procurement
website was fairly accessible.

The researcher sought views of the respondents on procurement access and findings are illustrated on table 1
Table 1: Descriptive statistics for procurement access

<table>
<thead>
<tr>
<th>Description</th>
<th>Mean</th>
<th>Std. Dev</th>
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<tbody>
<tr>
<td>Youth access to public procurement is not adequate</td>
<td>4.30</td>
<td>0.57</td>
</tr>
<tr>
<td>There are limited procurement opportunities for youth</td>
<td>4.13</td>
<td>0.74</td>
</tr>
<tr>
<td>Frequency of youth supplying to government entities is low</td>
<td>4.29</td>
<td>0.62</td>
</tr>
<tr>
<td>There is low percentage of youth beneficiaries from public procurement</td>
<td>4.02</td>
<td>0.77</td>
</tr>
<tr>
<td>Our business entities are sustainable for public procurement consideration.</td>
<td>4.14</td>
<td>0.72</td>
</tr>
<tr>
<td>County government procurement website is fairly accessible.</td>
<td>4.32</td>
<td>0.66</td>
</tr>
</tbody>
</table>

Descriptive findings indicated that training is a key determinant of procurement access among youths. 39.3% strongly agreed while 39.3% agreed meaning at least 78.6% of respondents concurred (mean=4.12; std. dev=.857) that youths attend more than two trainings on business skills that also sensitize on AGPO. Furthermore, 48.2% of respondents strongly agreed (mean 4.00; std. dev=1.112) that the training offered covered all the necessary skills of running successful tendering services. 49.2% of respondents also strongly agreed and 37.5% of them agreed meaning 84.7% at least admitted (mean=4.20; std. dev=.840) that county government provide special training for youths on how to access procurement opportunities. 46.4% of the respondents strongly agreed (mean=4.02; std. dev=.774) that training youths searching and application for county tenders. It was also agreed (mean=4.16; std. dev=.930) that youths are trained and sensitized on how to go about the procurement procedures. Moreover, the respondents concurred (mean=4.13; std. dev=1.063 that public procurement training enhances youth participation in public procurement. The findings implies that procurement access depend on training sensitization. Therefore, training youth on procurement issues is a requisite for access to the concerned procurement services from the county governments. The result of influence of training on procurements access and findings are illustrated on table 2.

Table 2: Descriptive Statistics for Training

<table>
<thead>
<tr>
<th>Description</th>
<th>Mean</th>
<th>Std. Dev</th>
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<tbody>
<tr>
<td>Youths attend more than two trainings on business skills that also sensitize on AGPO</td>
<td>4.12</td>
<td>0.88</td>
</tr>
<tr>
<td>The training offered covered all the necessary skills of running successful tendering services</td>
<td>4.00</td>
<td>1.11</td>
</tr>
<tr>
<td>The county provide special training for youths on how to access procurement opportunities</td>
<td>4.20</td>
<td>0.84</td>
</tr>
<tr>
<td>Training syllabus offered on procurement are adequate to assist the youths know how to do prequalification.</td>
<td>3.00</td>
<td>1.06</td>
</tr>
<tr>
<td>Due to training youths have no problem searching and applying for county tenders</td>
<td>4.02</td>
<td>0.77</td>
</tr>
<tr>
<td>The youths are trained on how to go about the procurement procedures. Youths are trained and sensitized on the public procurement laws and regulations.</td>
<td>4.16</td>
<td>0.93</td>
</tr>
<tr>
<td>The county use of e-procurement has assisted youth to easily access government procurement opportunities without moving.</td>
<td>3.14</td>
<td>1.07</td>
</tr>
</tbody>
</table>
Public procurement training enhances youth participation in public procurement

<table>
<thead>
<tr>
<th></th>
<th>Procurement Access</th>
</tr>
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<tbody>
<tr>
<td>Training</td>
<td>Pearson Correlation</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td></td>
<td>N</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

Correlation analysis findings show that the relationship between training and procurement access was positive, strong and statistically significant (r=0.826; p<0.01) at 1% significance level. It means that training influenced procurement access among youths. Increased training would lead to increased access to procurement opportunities by youths because they have improved understanding of procurement.

**Inferential Findings and Discussions**

Inferential statistical methods determine the effect of an independent variable on dependent variable by establishing relationships between them. The researcher applied Pearson correlation coefficient and regression analysis.

**Correlation between training and youth access to procurement opportunities.**

The researcher sought to establish the relationship between training and procurement access. Correlation analysis was carried out and findings are shown in Table 1. Correlation analysis findings show that the relationship between training sensitization and procurement access was positive, strong and statistically significant (r=0.826; p<0.01) at 1% significance level. It means that training influenced procurement access among youths. Increased training would lead to increased access to procurement opportunities by youths because they have improved understanding of procurement.

**Regression Analysis**

The regression model summary indicates that overall correlation for all independent variables and procurement process was R=0.894 implying that training taken together strongly influenced procurement access. The coefficient of determination was R²=0.798 implying that 79.8% of variation in procurement access was explained by training. Analysis of variable was undertaken to determine whether the model was fit for the study data. The results show that the regression model was fit. The F-value (F₄,₅₁=50.493) with a p-value of 0.000 <0.05 (level of significance). Thus expressed the overall model significance showing that all independent variables training influenced youth access to procurement opportunities.

According to regression analysis coefficients, training influences the procurement access by youth. The t value was (t=5.122; p=0.000<0.05) was significant at 5% significance level. This meant that training significantly influenced procurement access among youths. Procurement information also influenced procurement access based on the regression analysis coefficients. Relationship between procurement information was significant (t=2.193; p=0.033 <0.05) at 5% significance level.
Table 4  Regression results

<table>
<thead>
<tr>
<th></th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
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<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
</tr>
<tr>
<td>(Constant)</td>
<td>0.647</td>
<td>0.265</td>
</tr>
<tr>
<td>Training</td>
<td>0.428</td>
<td>0.084</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Procurement access

6. Conclusions and Recommendations

It was found that training was the key determinant of the youth access to public procurement opportunities with greatest influence on (β=0.428). Study also concluded that procurement information, regulatory framework and procurement process have statistically significant influence on youth access to public procurement opportunities in the county government of Nyeri. Thus, the study recommends that the provision of access to vocational training should be implemented in order to introduce to youths the wide range of training and rehabilitation programs, including training on how to become an entrepreneur. This will curb the perceptions of people for youth that a jobless youth will most likely end up being a criminal.

Various stakeholders in procurement management should facilitate online trainings to the youth to ensure that there well equipped with the current integrated financial management information systems to enhance transparency and fairness leading to open and fair competition among registered youth owned enterprises. This study recommends that Nyeri county Government encourage its youth to take up training regarding procurement process in order to understand the length processes. This study recommends to youths in Nyeri County and in the country at large of training on procurement access among the youth owned businesses in Nyeri County. It was observed that the youth in Nyeri are abreast with the general procurement process, particularly government entities; however, there is no adequate procurement openings floated to the youth.

This study recommends that the youth should attend vocational training so as to learn the wide range of vocational training available for the youth and other rehabilitation programs, in order to ensure that the youth improve their livelihood as well as be responsible young citizens.

The study suggests a further study on the factors influencing procurement management in the county government of Kenya. This study would help to shed more light on the importance on procurement management practices on access to youth public procurement opportunities.

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