



DETERMINANTS OF YOUTH ACCESS TO PROCUREMENT OPPORTUNITIES IN PUBLIC SECTOR IN KENYA: A CASE OF NATIONAL TREASURY

KENNETH KARANI, DR. MAKORI MORONGE

DETERMINANTS OF YOUTH ACCESS TO PROCUREMENT OPPORTUNITIES IN PUBLIC SECTOR IN KENYA: A CASE OF NATIONAL TREASURY

Kenneth Karani¹, Dr. Makori Moronge²

¹Jomo Kenyatta University of Agriculture & Technology (JKUAT), Kenya

²Jomo Kenyatta University of Agriculture & Technology (JKUAT), Kenya

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ABSTRACT

The purpose of the study was to establish the determinants of youth access to procurement opportunities in public sector in Kenya. The specific objectives of the study were; To establish how financial capability influence youth access to procurement opportunities in public sector in Kenya and to determine how procurement information accessibility influence youth access to procurement opportunities in public sector in Kenya. The study had a sample population of 160 respondents. The sampling frame for this study included procurement personnel from the five selected departments. Quantitative data collected was analyzed using descriptive statistics. The study pursued the completed research instruments and document analysis recording sheets. Quantitative data collected using questionnaires was analyzed by the use of descriptive statistics using Statistical Package for Social Sciences (Version 22.0). Content analysis was used to analyze data collected from the unstructured questionnaires that is of qualitative nature. The study contributed the body of knowledge by examining how financial capability and procurement information accessibility that affected youth access to procurement opportunities. The study contributed to the existing literature in the field of procurement by elaborating exiting theories, models and empirical studies on role of access to procurement opportunities in the public sector. The current study should therefore be expanded further in future in order to determine the effect of legal framework, supplier payment, supplier training on access to procurement opportunities in the public sector. The study recommended a similar study on youth enterprises for which data can be available for comparability of the two categories of entrepreneurs.

Key Words: Financial Capability, Procurement, Information Accessibility, Procurement Opportunities

INTRODUCTION

Public procurement systems are central to the effectiveness of development expenditure. Budgets get translated into services largely through the governments' purchases of goods, services and works. It is estimated that 18.42% of the world's Gross Domestic Product (GDP) is spent through 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, such as the economic development of disadvantaged social 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).

The Youth have the potential to accelerate productivity growth, but left idle, can represent a risk to social stability and in the longer term a risk to development of the nation's economy (RoK, 2013). Ensuring that youths are successfully integrated into the economy through procurement will improve Kenya's competitiveness, raise household incomes, reduce poverty, and create a circle of investment and growth (Gitari & Kabare, 2014). Unemployment has become a huge challenge for the country and the magnitude of the problem especially large among the youth. The overall unemployment rate for the youth is double the adult average, at about 21%. Statistics on joblessness suggest that the magnitude of unemployment problem is larger for youth with 38% of the youth neither in school nor

work aggregating the rates of unemployment and inactivity (RoK, 2007).

Worldwide, public procurement attracts a lot of attention. According to (Callendar & Mathews, 2000), this is often because of its size. Most developed nations spend about 20% of gross domestic product (GDP) on public procurement while developing nations spend up to 50% (Schiavo-Campo & Sundaram, 2000). For instance, in the United States, federal public procurement during 2009 accounted for over \$534 billion (Federal Procurement Data System, 2011) and over 13% of the total federal budget.

In comparison to Africa's' rising socio-economic giant Ghana; The World Bank is to support Ghana's Youth Enterprise Development Project, an initiative of the National Youth Employment Programme (NYEP), as was announced by the Ghanaian government on December 8. More than 1 million youth are to benefit from the project, which focuses mainly on Agriculture, ICT, housing and related businesses. Also, 1140 youth businesses will be supported. According to the Minister of Youth and Sports, in the course of 2011-2013 Youth leadership and Skills Training institutes have already benefited from the School Connectivity Project sponsored by the Ghana Investment Fund for Electronic Communication (GIFEC). (GYEDP, 2013). Public procurement is also used as a national tool for driving economic and social objectives. Christine *et al.*, (2006) articulates that Public procurement internationally is undergoing a paradigm shift from traditional role towards a policy role. Public procurement in this sense is enabling alignment of procurement policy with government policy thus effectively becoming an enabler of economic and social development.

Public procurement has a huge impact on the economy of Kenya. For instance, independent

procurement review Kenya (IPRK, 2005) established that in the period between the years 2003 to the year 2004, the value of government procurement in Kenya has been growing in leaps and bounds. With constant growth of the GDP, the amount expended in government procurement continues to rise and in the year 2014, it is estimated to be about 30% of the Ksh. 1.6 trillion Kenyan National budget (Hansard, 2014) This huge amount if well managed could drive economic growth and could also, according to OECD (2006), spur entrepreneurship among the largely unemployed youth in developing nations through their access in public procurement. In Kenya, Overall spending is estimated to nominally increase by 8% from Kshs 1.64 trillion in 2013/14 to Ksh 1.77 trillion in 2014/15. 76% is proposed to be spent to the 10 MTEF sectors and in turn, the respective Ministries, Departments and Agencies (MDAs) out of Ksh 1.54 trillion national government budget. The big spenders are the education sector, 20%, Energy, Infrastructure and ICT, 16.6%, Public Administration and International relations 12.6%. Education, health and the infrastructure sectors together account for over 40% of the national budget; and hence a source of fiscal pressure in the medium term. There is need to emphasize on the scope for improving quality of spending for better outcomes that will put focus on the youth. (IEA, 2014)

The National Treasury derives its mandate from the Constitution of Kenya, Cap VII Sections 99-103 which provides proper budgetary and expenditure management of government financial resources. Under the ministry, the public procurement in Kenya has been undergoing reforms starting with the public procurement and disposal act, 2005 that saw the creation of public procurement oversight authority and later on the Public Procurement Assets Disposal Act 2015. The next step was the implementation of e-procurement for the public sector. According to Government of Kenya (2005) e-procurement was to be implemented by June 2007,

but the process has been very slow due to poor implementation of public procurement policy compliance.

Statement of the Problem

Public procurement accounts for as much as 10–15% of gross domestic product (GDP) in developed countries and over 30% of GDP in developing countries. This translates into trillions of dollars of government spending annually (International Trade Centre (ITC), 2014). According to Transparency international (2013), in Kenya special groups (women, youth and people living with disabilities) constitute of over 85% of the entire population yet they contribute to less than 10% of public procurement involvement thus this hampers economic growth and achievement of vision 2030. Special groups have cited many of their problems to include capacity building, lack of access to credit, inadequate skills, poor information and inhibitive legal regulatory framework (Brinkerhoff, 2014)

The Kenyan Youth who constitute over 60% of Kenya's population continue to contribute less than 40% of public procurement involvement thus hampering economic growth and achievement of vision 2030 (Transparency international, 2014) even with current preferential treatment. The policy is thus not meeting its objective of creating employment among youth through access to government procurement and the key setbacks need to be established. It is against this background that public procurement policy was realigned to governments youth agenda to provide preferential treatment of youth in public procurement. In the financial year 2013/2014, 200 billion (30% of government procurement) was allocated for the youth (WEF, 2014).

In spite of the legal, policy and institutional reforms undertaken so far in the public procurement sector

in Kenya, youths still find it hard to effectively access procurement opportunities in public sector in Kenya. Muchira (2013) indicated that over 70 percent of key government contracts in Kenya are won by large multinational companies. This implies that only 30% of major tenders go to youths in this country. In 2013-14, further statistics show that of the 30 percent contract value that went to youth groups had less than a third of the total contracts while two-thirds went to the middle-level enterprises (RoK, 2014b). This issue has attracted interest among scholars and academicians. While Gitari & Kabare (2014) assessed Factors affecting access to procurement opportunities in public secondary schools by small and medium enterprises in Kenya. These studies barely focused on YAGPO. More specific to the issues under study were Talal (2014) and Gatere and Shale (2014). Little literature exists on Youth access to government procurement in Kenya. It is against the above background that the study therefore sought to examine the determinants of youth access to procurement opportunities in public sector in Kenya.

Research Objectives

The purpose of the study was to establish the determinants of youth access to procurement opportunities in public sector in Kenya. The specific objectives were:-

- To establish how financial capability influence youth access to procurement opportunities in public sector in Kenya.
- To determine how procurement information accessibility influence youth access to procurement opportunities in public sector in Kenya.

LITERATURE REVIEW

Theoretical Review

Resource – Based View Theory- Financial Capability

RBV is an economic theory that suggests that firm performance is a function of the types of resources and capabilities controlled by firms (Barney and Hesterly, 2008). A resource is a relatively observable, tradable asset that contributes to a firm's market position by improving customer value or lowering cost (or both); and a capability denotes the ability of a firm to accomplish tasks that are linked to higher economic performance by increasing value, decreasing cost, or both. (Walker, 2004). Barney and Hesterly (2008) also describe resources as tangible and intangible assets a firm uses to conceive of and implement its strategies; and capabilities as a subset of resources that enable a firm to take advantage of its other resources. Eisenhardt & Martin (2000) argues that availability of substitute resources tends to depress returns of the holders of a given resource and this justifies the reason why they should be shielded from competitors. By conducting an effective value chain analysis, an organization is able to identify these scarce resources that give it competitive advantage and apply appropriate mechanisms to protect the resources from competitors.

In relation to this study, the theory relates with the specific objective to establish the influence of financial resources on youth access to government procurement opportunities in the judiciary of Kenya under the framework that public procurement is anchored on a competitive bidding process, embracing transparency and efficiency in the system. In view of the complex competing public expenditure needs relative to the scarce resources, chances are that resources allocation will affect the chance for growth of youth-based organizations' procurement opportunity access. This calls for an objective evaluation process for all submitted bids. Financial capacity of bidders is among the most important consideration. Accordingly, due to the limited financial capacity of most youth owned enterprises and the competitive nature of public

procurement processes, access to public sector contracts by such smaller entities, is often seen as a problem, at national and global level (Gichure, 2007). While competences express what a country like Kenya is able to do well, core competencies encompass what the country firm is able to do better than others. Kenya, lately being referred as Africa's Silicon Valley ought to leverage the technological talents herein by offering its main resource, the youth, access to procurement opportunities by youth based enterprises. There is compelling evidence suggesting that most youth owned SME's lack the adequate access to procurement to procurement information as they are not able to fund for reliable information access avenues. Such lack of reliable information access avenues places the country at a competitive disadvantage. The study therefore aimed to find out the effect of access to procurement information and offer recommendations on the reliable information access avenues like print media, company notice boards and websites, radio adverts and social media to ameliorate the situation.

Hayekian Knowledge Problem (HKP) Theory-Procurement Information Accessibility

This theory was brought up by Hayek in 1948. He did state that, "The peculiar character of the problem of a rational economic order is determined precisely by the fact that the knowledge of the circumstances of which we must make use never exists in concentrated or integrated form but solely as the dispersed bits of incomplete and frequently contradictory knowledge which all the separate individuals possess. The economic problem of society is thus not merely a problem of how to allocate "given" resources—if "given" is taken to mean given to a single mind which deliberately solves the problem set by these "data." It is rather a problem of how to secure the best use of resources known to any of the members of society, for ends

whose relative importance only these individuals know. Or, to put it briefly, it is a problem of the utilization of knowledge which is not given to anyone in its totality".

Kirzner (1992) elaborated the implication of Hayekian understanding of information stemming from uncertainty about future and genuine ignorance. It rests on a narrow view of knowledge. Adjustment/change on how one undertake business like procurement, are either instantaneous or impossible without government intervention. Moreover, the context in which decision are being made is crucial to the nature of the information at stake. As Boettke puts it: "It is not just that information is costly to obtain, but that it is different information if it is stimulated by a context of rivalrous, private-property exchange." The knowledge actors rely on to make decisions is not universal and abstract, as it must be if it is to be replicated through either bureaucratic planning or political deliberation (Boettke, 2007).

According to Sautet (2003), a direct implication of the lack of the HKP in mainstream economic theory is the absence of adequate consideration of the role of the entrepreneur in the market system. As Penrose admits, defining the nature of the entrepreneurial function is difficult. The entrepreneur is the one who introduces, on behalf of the firm, innovation in every possible way (with respect to products, location, technology, personnel, and administrative organization). This is to be contrasted with managerial services, which relate to the implementation of entrepreneurial innovation. Furthermore, enterprising is "a psychological disposition on the part of individuals to take a chance in the hope of gain, and, in particular, to commit effort and resources to speculative activity" (Penrose, 2005).

Conceptual Framework

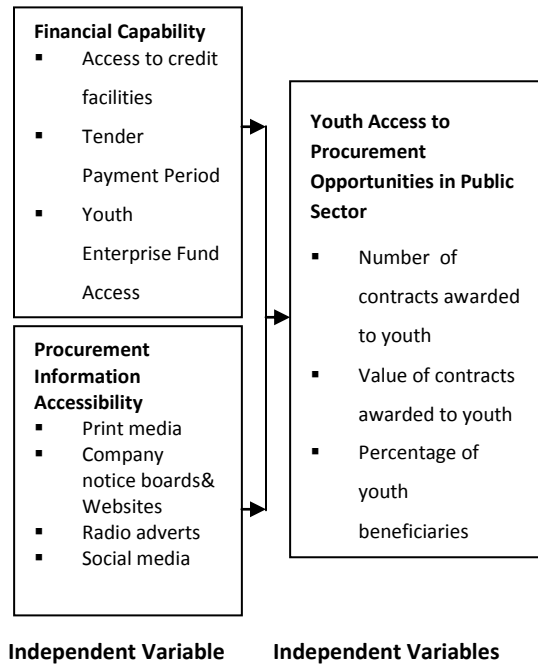


Figure 1: Conceptual Framework

Financial Capability

According to Thai (2001), in order to get value for money, public procurement is anchored on a competitive bidding process, embracing transparency and efficiency in the system. This calls for an objective evaluation process for all submitted bids. Financial capacity of bidders is among the most important consideration. Accordingly, due to the limited financial capacity and the competitive nature of public procurement processes, access to public sector contracts by smaller entities, including youth owned SMEs, is often seen as a problem, at national and global level (Gichure 2007).

Access finance is critical for growth and development. In the early stages of development of any business, finances both from internal sources of funding, such as the owner's savings, retained earnings, funding through the sale of assets or

external sources such as debt and equity is crucial for growth. Despite all, access to finance remains a key constraint to small enterprises development, especially in emerging economies (Wanjohi, 2012). According to Kathure (2014), Lack of access to long-term credit for small enterprises forces them to rely on high cost short term finance this causes most of them to go under. Thus financial constraint remains a major challenge facing small entities in Kenya (Wanjohi & Mugure, 2008).

Government Reports indicate very low youth access in government procurement. This is, in fact, the reason for preferential treatment policy enacted in 2013 where procuring entities are supposed to set aside 30% of total procurement for the youth. Moreover, the establishment of the Uwezo fund is an endeavor to remedy to the above scenario (ROK, 2013). Financial resources include current and capital assets, as well as access to credit. Ndhlovu & Twala (2007) found that access to government financial support is a problem in South Africa due to lack of interest, and lack of information and existence of such funds as well as the disbursement mechanism. Mass and Herrington (2006) agree that most youths are not aware of the various support programs available and as a result, youths with entrepreneurial tendencies perceive that there is no support from government.

Procurement Information Accessibility

Entities need to have access to adequate information to enhance productivity and to facilitate market access (Matovu & Obura, 2011). Effective utilization of quality business information - has been identified as crucial in attaining long-term and sustainable economic growth for developed and developing countries, (Corps, 2005). According to Strong, Lee and Wang (1997), poor information quality can create chaos in any establishment or business. In most developing countries, information such as market signals on business opportunities,

customer trends, methods of organization, latest technology, are not communicated, effectively, to the small businesses (Ladzani,2001).

The envisaged relationship between access to procurement information and youth access to government procurement is deduced from the fact that without information on existent of the opportunities, the youth may not benefit from the initiative. In fact, according to Nelson (2007), improved information techniques mostly through the internet for buying goods and services using modern quality standards and business practices in the government can help improve the efficiency of special group's suppliers as they compete for government contracts with big players.

Most public procurement systems address in one way or another issue of how to provide information support for the domestic supplier base (Lavassani, *et.al.* 2008) .Improved information techniques mostly through the internet for buying goods and services using modern quality standards and business practices in the government can help improve the efficiency of special groups suppliers as they compete for government contracts with big players. Such improvements in information access can enhance trade prospects by making these suppliers more acceptable vendors to global business partners (Murray, 2007).

Also, Zwicker & Ringeheim (2004) postulate that uninformed inefficient government suppliers provide poor value to their national government, and are unlikely to engage in any meaningful private sector trading partnerships in the era of global competition. Primary source of tender information in Kenya include the tender notices placed in the newspapers. But given the financial constraints faced by some of the procuring entities, these notices are generally posted only once Ogada *et al* (2008). As a result, many enterprises are unaware of what they are eligible to bid for. At its most fundamental, information is any propagation

of cause and effect within a system. Procurement information in the context of this study can be viewed from two points of view: funding information and procurement information. The former relates to the level of awareness by the youth on sources and methodology of acquiring funding while the latter relates to the awareness of the youth on procurement opportunities as they arise.

Youth Access to Procurement Opportunity

Access to Government Procurement Opportunity (AGPO) initiative was launched at the KICC on June 29th 2012 by The Public Procurement Directorate under the Ministry of Finance. The initiative's aim is to facilitate the youth, women and persons with disability-owned enterprises to participate in government procurement (R. o. K, 2013) and is spearheaded by the Director of the Public Procurement Directorate C. A. Otunga. The initiative's task at hand is to enable youth, women and people with disability access 30% of Government Tenders. This will only be made possible through the implementation of the Presidential Directive to set aside at least 30% of government procurement opportunities for the youth, women and persons with disabilities enterprises without competition from established firms. The will empower the youth, women and persons with disability-owned enterprises by giving them more opportunities to do business with the Government. To qualify, the Public Procurement and Disposal (Preference and Reservations) Regulations, 2011, shall apply to procurements by public entities when soliciting tenders from the following target groups: Disadvantaged Groups (Youth, Women, and Persons with Disability), Small Enterprises, Micro Enterprises, Citizen Contractors, local Contractors and Citizen Contractors in Joint-venture or Sub-contracting arrangements with foreign suppliers.For an enterprise to benefiting from preference and reservations schemes, the

enterprise should be a legal entity that: Is registered with the relevant government body and has at least seventy percent membership of youth, women or persons with disabilities and the leadership shall be one hundred percent youth, women and persons with disability. The required documents of an enterprise include: Identity Card(s)/Passport(s), Business Registration Certificate/ Certificate of Incorporation, PIN/VAT Certificate, Tax Compliance Certificate, Partnership Deed for Partnership Business,Memorandum/Articles of Association and CR12 mandatory for Registered Companies: For Construction Category –Letter/Certificate from the National Construction Authority, Energy Regulatory Commission or any other Authorized Public Technical Body

The success of this initiative requires access of the youth in government procurement; The Kenyan government has had an uphill task for youth and women groups to play in the big-ticket leagues of public procurement as they may not have the financial wherewithal Owino (2013). The trouble with supplying the government, as has been established by various authors, including Polo (2008), is that due to the large quantities of supplies required, the capital requirement can be high. Yet processing an invoice can take months. Further, the technical skills required for complex contracts may require vast experience. As has been established before, the rate of youth access in the allocated 30% public procurement is below expectation.

Empirical Review

Financial Capability

A study on the uptake of government tenders by youth -owned small and micro enterprises in Nairobi County, Kenya was conducted by Wangai (2014). Her study employed a descriptive research design. The population consisted of 370 youth owned SMEs registered with the national treasury in Nairobi County. Primary data was collected from

business owners/managers using a semi-structured questionnaire. The study found that the youth in Nairobi County are participating in government tenders to a moderate extent. Six factors that influence the uptake of government tenders were identified through factor analysis. These include: Legal/Regulatory framework, financial access, framework contracting, ethical issues, complexity of the public procurement process and information access. All these variables were found to have a positive relationship with the youth uptake of government tenders which was also statistically significant at 95% confidence level.

Kimondo (2012) in a survey in Kigumo district in Muranga County on youth enterprise fund (YEF), identified lack of capital as the main hindrance to youths towards starting businesses and getting meaningful returns. A similar scenario has been witnessed more recently in a survey by the Treasury. The Republic of Kenya launched the Uwezo fund with initial allocation of Ksh. 6 Billion to fund enterprises and support youth engage in government procurement opportunities (ROK, 2013). Report by the cabinet secretary of finance however indicate very low uptake to the fund by the youth out of hindrances such as lack of awareness and stringent rules (ROK, 2014).

Talal (2014) interrogated the constraints facing the youth in accessing the public procurement process. The study titled “ systemic constraints to market access” found that the government directive to have 30% of procurement to be set aside for special interest groups was a strategic move aimed at motivating the access of special interest groups. The study however established that access to funding, and lack of collateral, was the main hindrances to actualizing this plan by the government. In a related study, Gatere and Shale (2014) sought to examine the challenges affecting the implementation of access to government procurement opportunities for special interest groups in Nairobi County. The

study established that funding was an important factor in special group's access in government procurement.

Ngigi, Wanyoike and Mwangi (2014) did a similar study on access to credit facilities as a major factor hindering access to public procurement contracts by youth entrepreneurs in government ministries in Ol Kalou sub-county, Kenya. The study hypothesized that the major cause of non-access of youth in public procurement was access to credit facility. The study surveyed 25 youth owned enterprises and Results revealed that access to credit was hindering access to public procurement contracts by youth-owned enterprises by denying them a level playing field in bidding for the contracts. The study recommended increasing access to credit to youth entrepreneurs to enable them access public procurement contracts. In another empirical study on 'realizing equal opportunities among youth groups in accessing government financial credit facilities', Ibuathu *et al.*, (2013) interrogated opportunities available to organized youth groups in accessing government funding to ensure equity in facing life challenges. The study established that apart from awareness, the lack of funding is actually due to the negative perception by the banking system on youth and partially lack of collateral and viable business ideas worth funding by banks. Further, the authors note that the disbursement mechanism, attitude by banks and lack of capital may limit access to funding in rural Kenya such as Tigania.

Procurement Information Accessibility

An empirical study on implementation of preferential access to government procurement opportunities by Gatere & Shale (2014) revealed that improvements in ICT technology, mostly through the internet for buying goods and services using modern quality standards and business practices, provides a good opportunity for

governments to improve relay of procurement information which would greatly enhance access in government procurement. This notion, that improvements in information access can enhance trade prospects by these suppliers more acceptable vendors to global business partners was shared by Nelson (2007) in a study aimed at identifying the challenges faced by global suppliers in accessing global markets.

Oganda *et al.*, (2008) notes that public procuring entities relay procurement information through public advertisements as stipulated under the Public Procurement and Disposal Act (2005) and subsequent legislation. However, given the financial constraints, most advertise once in two leading newspapers and as a result most would be suppliers may not be aware of procurement proceedings. Talal (2014) in a closely related study on access to government procurement in Mombasa county notes that the government has made an attempt to improve this scenario by using other avenues to relay the information but however argue that with the new constitutional dispensation that gave rise to county government, more needs to be done.

According to Griffith and Myers (2005) most public systems address only one of these aspects or both, but partially. An evaluation of the SMEs' access to public procurement in the EU, where there is better access to procurement information by Technopolis (2011) found that SMEs account for 42% of total contract awards while large enterprise 58%. This view is also held by Zwicker & Ringheim (2004) in a global study on challenges faced by suppliers. The researchers found that one of the impediments to value delivery by National government suppliers is late or poorly structured and delivered procurement information. They further argue that a prerequisite to any meaningful private sector trading partnership in the era of global competition is effective and efficient access to trade information by trade partners.

Youth Access to Government Procurement Opportunities in Kenya

Various authors, (Thai, 2007; Martini, 2012; Ogachi, 2008) have rightfully argued that government procurement can be a very useful avenue to accomplish government and development objectives. However, they also acknowledge that the process, due to magnitude of procurement, often attract fraudsters and political influence. Transparency International (TI) in a report by Maria (2012) notes that the Kenyan procurement system is considered among the most corrupt functions of the government. This according to Maria (2012) is consistent to the World Bank and IFC 2007 enterprise survey which indicates that 71 % of the companies surveyed expect to give gifts to secure a government contract, with the value of the gift representing 8% of the contract amount. According to this report, corruption remains pervasive in procurement processes, with widespread practice of favoritism towards well-connected firms and individuals when deciding upon contracts and policies. This by extension means that the access of the youth will be harder to achieve. This was the reason for the enactment of the law to safeguard and guarantee the youth an opportunity at participating in government procurement.

Information posted on AGPO website states that “In February 2012, His Excellency the Retired President, Hon. Mwai Kibaki directed that 10% of all Government contracts be earmarked and awarded to the youth. The Policy directive was informed by the Government’s realization that in order to meaningfully address the issue of youth unemployment. It is necessary to give them opportunities to participate in government contracts and tenders. In 2013, His Excellency the President Uhuru Kenyatta, pledged that the procurement rules would be amended to allow 30 per cent of contracts to be given to the youth,

women and persons with disability without competition from established firms” (ROK, 2015).

The UNDP (2013) on a study on unemployment among Kenyan youth established that high unemployment rates among the youth in Africa and particularly Kenya, estimated to be double the national level of unemployment of 12.7 %, has led the republic of Kenya to initiate policy to address this youth unemployment and foster creation of decent jobs. Among these initiatives include the famous “kazi kwa vijana”, and the preferential 10% government award of 2010 and 30% procurement opportunity of 2013, and other special interest groups in government procurement, to help spur entrepreneurship and improve the livelihood of the youth.

RESEARCH METHODOLOGY

This study was a descriptive survey designed to establish the determinants of youth access to procurement opportunities in public sector in Kenya. The target population was 620 employees at National Treasury head office concentrating on administration, procurement and finance (accounts). The sample size was 169 respondents. The study used primary data for statistical analysis. Primary data is data which is collected afresh and for the first time, and thus happens to be original in character. Semi structured questionnaires was used. The study administered the questionnaires to the relevant respondents in an effort to achieve the necessary information. Research assistants were used to assist the researcher in gathering the information. The study carried out a pilot study to pretest and validate the questionnaire. According to Cooper & Schindler (2012), the pilot group can be 10% of the population. This therefore translated to 62 respondents. The study pursued the completed research instruments and document analysis recording sheets. Quantitative data collected using questionnaires was analyzed by the use of

descriptive statistics using Statistical Package for Social Sciences (Version 22.0).

DATA ANALYSIS, PRESENTATION AND DISCUSSIONS

A population of 169 was selected using census technique. A total of 169 questionnaires were distributed to the targeted respondents. Out of the covered population, 134 were responsive representing a response rate of 79.292%.

The study sought to establish the gender distribution of the respondents. From the results, both male and female respondents participated in the study and results show that 55% were male, 35% were female and 10% of the respondents did not indicate their gender. The results indicated that the two genders were adequately represented in the study since there was none which was more than the two-thirds. On ages of the respondents who participated in this study, the findings showed that 53.85% of the respondents were aged between 18 to 35 years, 32.76% were more than 35 years old while 13.39% did not indicate their age. On level of education of the respondents, majority (70%) had college education level, 20% had university education level, 5% had post graduate education level, 3% had secondary education level and 2% had professional qualifications.

On how often they participated in the government tendering and procurement processes the study established that a majority (37.5%) had only participated once, 31.2% had participated a few times and 31.3% participated regularly. This trend was confirmed by government practitioners who were interviewed by this study.

Financial Capability

The scores of 'Very Great Extent' and 'Great Extent' were taken to represent a statement not agreed upon, equivalent to mean score of 3.5 to 5.0. The score of 'Moderate Extent' was taken to represent a statement agreed upon moderately, equivalent to a mean score of 2.6 to 3.4. The score of 'Small Extent' and 'Very Small Extent' were taken to represent a statement highly agreed upon equivalent to a mean score of 1.0 to 2.5

The study findings in Table 1, a majority of respondents indicated to a great extent that the conditions were too stringent to access government funds to support youth to access government procurement opportunities (3.654); To access the funds from the government required tight security thus affecting youth to access government procurement opportunities (3.765); There was corruption in giving out funds thus hindering youth to access government procurement opportunities (3.543); The process was too technical to access funds hindering youth to access government procurement opportunities. (3.654); they do access funds from the commercial banks, cooperative societies, micro finance to access government procurement opportunities (3.987); There is unfavorable bank policy which prohibit access to funds to support youth to access government procurement opportunities (3.459) The tough conditions for youth business hinder them from accessing government procurement opportunities(3.876) The study findings were in agreement with literature review by Pearson and Ellram (2008) who established that financial capability plays a critical role on the youth access to Government procurement opportunities.

Table 1: Financial Capability

Statement	Mean	Std
The conditions are too stringent to access government funds to support youth to access government procurement opportunities	3.778	.336
To access the funds from the government require tight security thus affecting youth to access government procurement opportunities	3.690	.981
There is corruption in giving out funds thus hindering youth to access government procurement opportunities	3.821	.432
The process is too technical to access funds hindering youth to access government procurement opportunities.	3.778	.026
We do access funds from the commercial banks, cooperative societies, micro finance to access government procurement opportunities	3.987	.421
There is unfavorable bank policy which prohibit access to funds to support youth to access government procurement opportunities	3.894	.632
The tough conditions for youth business hinder them from accessing government procurement opportunities	3.998	.093

Procurement Information Accessibility

The study sought to assess the influence of procurement information accessibility on access to government procurement opportunities in the public sector in Kenya. This section presents findings to statements posed in this regard with responses given on a five-point likert scale (where 5 = Very Great Extent; 4 = Great Extent; 3 = Moderate Extent; 2 = Small Extent; 1= Very Small Extent). Table 2 presents the findings. The scores of 'Very Great Extent' and 'Great Extent' have been taken to

represent a statement not agreed upon, equivalent to mean score of 3.5 to 5.0. The score of 'Moderate Extent' has been taken to represent a statement agreed upon moderately, equivalent to a mean score of 2.6 to 3.4. The score of 'Small Extent' and 'Very Small Extent' were taken to represent a statement highly agreed upon equivalent to a mean score of 1.0 to 2.5.

The study findings in Table 2, a majority of respondents indicated to a great extent that they access tender information from newspaper, radio

and television advertisements (3.875); they access tender information on government procurements from social media advertisements (3.871); they access tender information from newspaper, radio and television advertisements (3.789); The government does public widely to the available tender information (3.765); The information is too technical thus affecting accessing tender information (3.092); There is difficult communication language thus affecting accessing tender information (3.811) Medium used is inaccessible to many thus affecting access to the tender information (3.906) Effective utilization of quality business information -has been identified as crucial in attaining long-term and sustainable economic growth for developed and developing countries, (Corps, 2005). According to Strong, Lee and Wang (1997), poor information quality can

create chaos in any establishment or business. In most developing countries, information such as market signals on business opportunities, customer trends, methods of organization, latest technology, are not communicated, effectively, to the small businesses (Ladzani,2001). The envisaged relationship between access to procurement information and youth access to government procurement is deduced from the fact that without information on existent of the opportunities, the youth may not benefit from the initiative. In fact, according to Nelson (2007), improved information techniques mostly through the internet for buying goods and services using modern quality standards and business practices in the government can help improve the efficiency of special group's suppliers as they compete for government contracts with big players.

Table2: Procurement Information Accessibility

Statement	Mean	Std
We get access tender information from newspaper, radio and television advertisements	3.875	.909
We get access tender information on government procurements from social media advertisements	3.871	.862
We get access tender information from newspaper, radio and television advertisements	3.789	.321
The government does public widely to the available tender information.	3.765	.762
The information is too technical thus affecting accessing tender information	3.092	.908
There is difficult communication language thus affecting accessing tender information	3.811	.991
Medium used is inaccessible to many thus affecting access to the tender information	3.906	.908

Access to Government Procurement Opportunities

On the extent to which youth access to government procurement opportunities respondents were asked to indicate the extent to which it was affected. The data was collected from the different indicators of the variable youth access to government procurement opportunities which was ordinal categorical. The data was therefore presented in frequency tables with the mode being used as the appropriate measure of central tendency. The results were presented in Table 3. The first indicator for the dependent variable required to know the youth access to government procurement opportunities was number of applied tenders was, 69% of the respondents had 0-20%,

3% had 20-30%, 11% had 30-40%, 17% had 40-50%, 0% had over 50%. The modal class of the respondents who had over 0%-20% number of applied tenders. The mode was found to be 1 which implies that on average the youth access to government procurement opportunities on number of applied tenders is between 0%-20%. When the respondents were asked what the level of number of tenders won was, 60% of the respondents 0-20%, 3% had 20-30%, 3% had 30-40%, 34% had 40-50%, 0% had over 50%. The modal class is of the respondents who had over 0%-20% number of tenders won. The mode was found to be 1 which implied that on average the level of number of tenders won is between 0%-20%.

Table 3: Youth Access To Government Procurement Opportunities

Statement	0%- 20%	10%- 20%	20%- 30%	40%- 50%	Over 50%	Mode
Number of Tenders applied for?	69	3	11	17	0	1
Number of tenders won?	49	3	14	26	49	1

SUMMARY, CONCLUSION AND RECOMMENDATIONS

The study findings indicated that majority of the respondents stated that to the great extent that the conditions were too stringent to access government funds to support youth to access government procurement opportunities. To access the funds from the government required tight security thus affecting youth to access government procurement opportunities. There was corruption in giving out funds thus hindering youth to access government procurement opportunities. The process is too technical to access funds hindering youth to access government procurement opportunities. They do access funds from the commercial banks, cooperative societies, micro finance to access government procurement

opportunities. There was unfavorable bank policy which prohibits access to funds to support youth to access government procurement opportunities. The tough conditions for youth business hinder them from accessing government procurement opportunities.

The study findings indicated to a great extent that the majority of respondents indicated they accessed tender information from newspaper, radio and television advertisements. They accessed tender information on government procurements from social media advertisements. The respondents indicated that they accessed tender information from newspaper, radio and television advertisements. The government did public widely to the available tender information. The information was too technical thus affecting

accessing tender information. There was difficult communication language thus affecting accessing tender information. Mostly the medium used was inaccessible to much thus affecting access to the tender information.

Conclusions of the Study

Based on the study findings, the study concluded that youth access to procurement opportunities in public sector was affected by financial capability and procurement information accessibility were the major factors that mostly affect youth access to procurement opportunities in public sector in Kenya.

The study concluded that a financial capability was the first important factor that affected youth access to procurement opportunities in public sector. The regression coefficients of the study showed that financial capability had a significant influence on youth access to procurement opportunities in public sector. This showed that financial capability had a positive influence on youth access to procurement opportunities in public sector.

The study concluded that procurement information accessibility was the second important factor that affected youth access to procurement opportunities in public sector. The regression coefficients of the study show that procurement information accessibility had a significant influence on youth access to procurement opportunities in public sector. This showed that procurement information accessibility had a positive influence on youth access to procurement opportunities in public sector.

Recommendations of the Study

Following the conclusions drawn from a determination of how financial capability affected

youth access to procurement opportunities in the public sector, this study recommends that the government should increase its funding opportunities to youth to boost their business activities. Government agencies charged with the responsibility of funding youths, commercial banks and other financial institutions should relax their lending conditions to enable many youths who lack some of the requirements like securities, guarantors, years of experience, operational bank accounts and many more access those funds.

Suggestions for Further Studies

The study contributes the body of knowledge by examining how financial capability and procurement information accessibility affect youth access to procurement opportunities. The study contributes to the existing literature in the field of procurement by elaborating exiting theories, models and empirical studies on role of access to procurement opportunities in the public sector. The current study should therefore be expanded further in future in order to determine the effect of legal framework, supplier payment, supplier training on access to procurement opportunities in the public sector. The study recommends a similar study on youth enterprises for which data can be available for comparability of the two categories of entrepreneurs. Otherwise literature reviewed herein indicates that even medium enterprises have no significant advantage over small youth enterprises when seeking government tenders. Further research can reveal if the challenges are common to both the two categories of entrepreneurs or if they are varied in some ways.

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