

## **Influence of Methods of Tendering on Management of Public Secondary School Resources in Mandera County, Kenya**

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### **Abstract**

*Tendering methods adopted by secondary schools are critical in determining prudent management of school resources. However, lack of financial accountability, inefficiency, lack of controls and imprudent use of resources in Mandera County has continued to affect the operations of secondary schools. Mixed methods approach was used and thus the study adopted concurrent triangulation design. Questionnaires were used to collect data from the school Board of management while the Focus Group Discussion was employed for the procurement and tendering committee members. Interviews were used to collect data from the principals and the sub county QASOs. Qualitative data was analyzed thematically along the objectives and presented in narrative forms whereas quantitative data was descriptively analyzed using frequencies, percentages, mean and standard deviation and inferentially using ANOVA in Statistical Packages for Social Science (SPSS 23) and presented using tables and charts. The study established that tendering methods influence management of public secondary school resources. Thus, the study recommends that schools should adopt integrated tendering methods which are meant to guarantee financial prudence and efficient use of school resources.*

**Keywords:** Tendering methods, management of secondary school resources, secondary schools

## **1. Introduction**

Most public authorities at some stage engage in a tendering process as it seeks to procure goods and services from a private organization. According to Leipold, Klemow, Holloway and Vaydia (2004), public procurement can be defined as the acquisition, whether under formal contract or not, of works, supplies and services by public bodies. It ranges from the purchase of routine supplies or services to formal tendering and placing contracts for large infrastructural projects by a wide and diverse range of authorities. Leipold et al (2004) assert that, regardless of the type or scale of the project being run, entering into the area of tendering can be daunting and can often lead to unintended consequences. In France, there are many case studies where the tendering process was not conducted in the appropriate manner and this can lead to delays, cost over-run and in some cases legal challenges and costly court cases (Leipold et al, 2004). This indicates that it is very important that the public procurement function is discharged honestly, fairly, and in a manner that secures best value for public money. In other words, contracting authorities, that is, those public authorities who procure such goods or services must be cost effective and efficient in the use of resources while upholding the highest standards of probity and integrity. In most procurement guidelines and manuals, tendering practices or procurement methods are identified by different names for groups of procurement categories (Khagram, Fung and de Renzio, 2013). Generally, procurement of goods and works, sometimes including non-consultant services, are grouped separately from consultant services procurement.

In most countries in Sub-Saharan Africa, the concept of tendering has been adopted by schools. For example, in a longitudinal study conducted in KwaZulu Natal Province in South Africa to ascertain the efficacy of tendering practices and school management, Folscher (2010) asserted that it's also important to consider the value and complexity of the requirement, the degree to which the procuring entity is able to clearly define the requirement, if there is a need for prospective bidders to participate in finalizing the specifications of the requirement, the urgency of need and market availability. From school management perspective, different scholars suggest different tendering options as a way to ensure proper management of school funds. The emergencies procurement is utilized in situations in which lives, properties or tools are at immediate risks or the standard of an emerging or threatening community health, wellbeing or security needed to be reestablished without delays (Stergiou, 2009). Gitonga (2007) asserts that government institutions such as public secondary schools which have adopted the open tendering practice, all tender bids submitted must be considered unless they are excluded because the tenderer fails under the grounds for exclusion or does not meet one or more of the selection criteria stated in the contract notice.

## **2. Statement of the problem**

Evaluation takes place and the successful organization is awarded the contract. Most of the tenders in most public secondary schools incorporate this kind of tender practice. However, Carlitz (2010) has not specifically identified the best tendering practice to enhance effective management of school resources. The studies have not indicated how open tendering adopted by institutions ensures

provision of quality goods and services. In recent times, wastage and pilferage of school financial resources, inefficiency and lack of controls have been on the rise against the backdrop of the government's insistence on adherence to the Public Procurement Disposal Act (2007) (Ambani, 2010). Despite these observations, little has been done to examine the tendering methods adopted in secondary schools and how such methods influence management of public secondary school resources, hence the need for the study.

### **3. Objectives of the Study**

To determine the influence of tendering methods on management of secondary school resources in Mandera County, Kenya.

### **4. Methods of Tendering and Management of School Resources**

Khagram et al (2013) indicated that tendering, request for proposals, and two-stage tendering are considered competitive procurement methods because the solicitation documents are advertised and open to any qualified firm interested in competing for the assignment. However, these assertions contradict the findings of a study conducted in the US in which Mansouri and Rao (2013) indicated that request for quotations and single-source procurement are considered non-competitive procurement methods because the invitation to submit offers is not advertised, and it is sent only to firms or individuals specifically invited by the procuring entity. On the other hand, with respect to restricted tendering, there's debate as to whether it is a competitive or non-competitive procurement method. Consistent with the assertions of Mansouri and Rao (2013), Shneider (2009), in a study about procurement practices of schools in New-Zealand found that school's management using open tendering method often rather than single sourced tenders or selective tenders are likely to display a higher level, than their counterparts in management of resources prudently than the latter. This finding may be because open tender assumes the reality of competition policies which reduces uncertainties for management of school resources and are vital indications of well-regulated packages for the development for the school. Carlitz (2010) has not specifically identified the best tendering practice to enhance effective management of school resources. The studies have not indicated how open tendering adopted by institutions ensures provision of quality goods and services. The findings of the study revealed that there was a strong positive relationship between implementation of procurement practices and performance of Korean companies. At times, the school managers find themselves more attracted to local suppliers for reasons such as closer cooperation, social responsibility, reduced transport costs, improved availability in emergency situations and also since this encourages subsidiary industries.

### **5. Research Methodology**

The study applied mixed methods approach, that is, quantitative and qualitative methods. The study used concurrent triangulation design since it is single-phase design in which researcher implemented the quantitative and qualitative methods during the same timeframe and with equal weight. This corroborates the views expressed by Orodho (2005) that a sample size should constitute between 10% and 30% of the target population. Stratified sampling was used to create 6

different strata based on the number of sub-counties in Mandera County. Qualitative data was analyzed thematically along the study objectives and presented in narrative forms whereas the quantitative data was analyzed using descriptive statistics and inferentially using ANOVA in Statistical Package for Social Science (SPSS 23) and presented using tables.

## 6. Research findings

The study sought to analyze the influence of tendering methods on management of public secondary school resources in Mandera County.

**Table 1: Influence of Tendering Methods on Management of Public Secondary School Resources**

<b>Summary of Test Items</b>	<b>SA %</b>	<b>A %</b>	<b>U %</b>	<b>D %</b>	<b>SD %</b>	<b>Mean</b>	<b>St. Dev.</b>
Adopting open tendering method has influenced management of public secondary school resources	71.0	12.3	1.3	10.1	5.3	4.324	0.936
Secondary schools use closed tendering method which has not enhanced management of resources in schools	66.9	13.2	2.4	12.7	4.8	4.206	1.278
Most secondary schools adopt single-sourcing method of tendering which has not enhanced management of school resources	80.5	12.4	1.6	3.3	2.2	4.618	0.908
Secondary schools often use restricted tendering method which has negatively influenced management of school resources	67.4	19.7	3.5	5.3	4.1	4.441	1.006
Use of restricted tendering method has enhanced management of school resources	69.6	13.8	1.6	10.6	4.4	4.441	1.088
Schools use restricted tendering method to enhance management of resources	61.8	14.5	2.1	15.2	6.4	4.118	1.323

**Source: Researcher (2017)**

Table 2 reveals that 122(71.0%) of the members of School Board of Management strongly agreed with the view that adopting open tendering method has influenced financial prudence, staff relations, curriculum support resources and management of school infrastructure, in secondary schools. At the same time, 21(12.3%) of the members of School Board of Management agreed with the statement. However, only a small (1.3%) of the members of School Board of Management were undecided, 17(10.1%) disagreed whereas 9(5.3%) strongly disagreed.

These findings lend credence to the findings of a study conducted in New Zealand in which Mansouri and Rao (2013) found that management of school resources using open tendering method often are likely to display a higher level, than their counterparts in management of resources prudently than the latter. These findings also support the assertions of Fagon (2006) that procurement done through open tendering is likely to be less prone to corruption and irregularity and improve management of school resources.

Hence, these findings affirm the fact that open tenders assume the reality of competition policies which reduces uncertainties for management of school resources and are vital indications of well-regulated packages for the development of the school. The study also revealed that 115(66.9%) of the members of School Board of Management strongly agreed with the view that secondary schools use closed tendering method which has not enhanced financial prudence, staff relations, curriculum support resources and management of school infrastructure, in secondary schools as did 23(13.2%) of the members of School Board of Management. At the same time, 4(2.4%) of the members of School Board of Management were undecided, 22(12.7%) disagreed whereas 8(4.8%) strongly disagreed. These findings contradict the assertions of Gitonga (2007) that public secondary schools must be considered because the tenderer fails under the grounds for exclusion or does not meet one or more of the selection criteria stated in the contract notice.

The study also revealed that 138(80.5%) of the members of School Board of Management strongly agreed with the view that most secondary schools adopt single-sourcing method of tendering which has not enhanced financial prudence, staff relations, curriculum support resources and management of school infrastructure, in secondary schools as did 21(12.4%) of the members of School Board of Management. However, 3(1.6%) of the members of School Board of Management were undecided, 6(3.3%) disagreed whereas 4(2.2%) strongly disagreed. These findings corroborate the assertions of Bovis (2007) that schools adopt single-sourcing tendering approach where procurement entities can liaise with suppliers directly and as an individual entity, then engage in negotiation of the terms of the agreement one to one with the said suppliers. The study also revealed that 116(67.4%) of the members of School Board of Management strongly agreed with the view that secondary schools often use restricted tendering method which has negatively influenced financial prudence, staff relations, curriculum support resources and management of school infrastructure, in secondary schools. 34(19.7%) agreed. At the same time, 6(3.5%) of the members of School Board of Management were undecided, 9(5.3%) disagreed whereas 7(4.1%) strongly disagreed.

These findings are consistent with the assertions of Mansouri and Rao (2013) indicated that request for quotations and single-source procurement are considered non-competitive procurement methods because the invitation to submit offers is not advertised, and it is sent only to firms or individuals specifically invited by the procuring entity. The study also revealed that 120(69.6%) of the members of School Board of Management strongly agreed with the view that use of restricted tendering method has enhanced staff relations in secondary schools as did 24(13.8%) of the members of School Board of Management. On the other hand, 3(1.6%) of the members of School Board of Management were undecided, 18(10.6%) disagreed whereas 8(4.4%) strongly disagreed. The study also revealed that 106(61.8%) of the members of School Board of Management strongly agreed with the view that schools use restricted tendering method to enhance curriculum support resources as did 25(14.5%) of the members of School Board of Management. On the other hand, 4(2.1%) of the members of School Board of Management were undecided, 26(15.2%) disagreed whereas 11(6.4%) strongly disagreed. These findings are consistent with the assertions of Mansouri and Rao (2013) that has elicited debate on its competitiveness or non-competitiveness as a procurement method.

Therefore, these findings affirm the fact that tendering practices or procurement methods are identified by different names for groups of procurement categories. That is, procurement of goods and works, sometimes including non-consultant services, are grouped separately from consultant services procurement. Further, these findings affirm the fact that secondary schools adopt a variety of tendering methods to some degree whose influence in management of school resources is still wanting.

### **6.1 Inferential Findings on the Influence of Methods of Tendering on Management of Public Secondary Schools**

In order to further ascertain the difference between methods of tendering and management of public secondary school resources, data was collected on how often different tendering methods are adopted by secondary schools, vote heads for infrastructural development, staffing and curriculum support resources and results are shown in Table 2:

**Table 2: Results of Frequency of Tendering and School Vote Heads on Infrastructure, Staffing and Curriculum Support Resources**

Frequency of Tendering	Management of School Resources (Vote heads in Kshs.)		
	Infrastructure	Staffing	Curriculum Support Resources
1	67,000	105,000	357,000
2	75,000	155,000	509,000
3	89,000	170,980	789,000

**Source: Sub-county Directors of Education, Mandera County (2017)**

Table 2 indicates that secondary schools which frequently adhere to tendering procedures show efficient use of resources set aside for infrastructural development, employment of staff and curriculum materials such as books and teaching aids. These data further corroborate the assertions of Fagon (2006) that adherence to tendering and procurement procedures are likely to be less prone to corruption and irregularity and improve management of school resources. These results were subjected to ANOVA and results:

**Table 3: ANOVA Analysis of the Difference between Frequency of Tendering and Means of Vote Heads on Infrastructural Development, Staffing and Curriculum Support Resources**

	Sum of Squares	df	Mean Square	F	Sig
Frequency of Tendering	34214160057.167	2	17107080028.583		
Infrastructure	545341243129.00	3	181780414376.33	16.924	0.002
Staffing					
Curriculum support resources					
Residual	64446080211.500	6	10741013368.583		
Total	609787323340.500	9	67754147037.833		
Total	644001483397.667	1	58545589399.788		

Grand Mean = 193082.17

**Source: SPSS Generated (2017)**

From the ANOVA Statistics in Table 3, the processed data generated a significance level of 0.002 which shows that the data is ideal for making a conclusion on the population's parameter. The significance value generated was less than 5%, that is,  $p\text{-value}=0.002<0.05$ . These results indicate that there is significant difference between frequency of tendering and means of vote heads set for infrastructural development, staffing and curriculum support resources. In other words, in secondary schools where tendering procedures are adhered to frequently show efficient use of resources set aside for infrastructural development, employment of staff and curriculum materials such as books and teaching aids.

These results were consistent with the findings of a study conducted in Mandera County by Carlitz (2010) which generated a  $p\text{-value}$  of  $0.03<0.05$ . These findings thus affirm the fact that secondary schools which adhere to tendering and procurement procedures frequently are often likely to display a higher level, than their counterparts in management of resources prudently than the latter. Such secondary schools are likely to be less prone to corruption and irregularity and improve management of school resources.

### **6.1.2. Thematic Analysis of Qualitative Findings on the Influence of Methods of Tendering on Management of Public Secondary School Resources**

Qualitative data was also collected by interviewing the principals and QASOs as well as engaging tendering and procurement committee members on focus group discussions. Principals and Quality Assurance Officers responded in favor of the view that adopting open tendering method has influenced financial prudence, staff relations, curriculum support resources and management of school infrastructure, in secondary schools. Principal, P1, noted,

*"I always adopt open tendering where existing tenders are advertised on daily newspapers and through appropriate media channels. Through this, my school has been able to procure quality goods and services at an appropriate cost. This has, in turn, ensured financial prudence, staff relations, curriculum support resources and management of school infrastructure, in secondary schools"*.

These views were further corroborated by tendering and procurement committee members who also noted that most secondary schools are required to adhere to the tendering procedures.

Tendering and procurement Committee Member, TPCM1, observed,

*"Secondary school principals are required to adopt open tendering. That is, they ought to advertise existence of tenders through relevant media outlets. This has ensured that such secondary schools maintain prudent use of public secondary school resources"*.

These views further lend credence to the views expressed by Mansouri and Rao (2013) found that management of school resources using open tendering method often are likely to display a higher level, than their counterparts in management of resources prudently than the latter. On further enquiry, TPCM2, however, reported,

*"Most secondary school principals rarely adopt open tendering since, according to them, it consumes a lot of time and is bound to create controversies"*



Just like in quantitative findings, these views also point to the fact that open tenders assume the reality of competition policies which reduces uncertainties for management of school resources and are vital indications of well-regulated packages for the development for the school. Most interviewees and discussants refuted the claims that schools often adopt closed, restricted tendering or single-sourcing methods.

However, principal, P2, argued,

*“I sometimes use single-sourcing during procurement of goods and services which the school needs urgently, but are invaluable”.*

On further probing, an interview with Quality Assurance Officers revealed similar sentiments. Quality Assurance Officer, QASO1, noted,

*“Sometimes secondary school principals can adopt single-sourcing to procure goods and services critical to the schools but are needed within short notice and an explanation provided later. This strategy has ensured prudent use of secondary resources”.*

These views concur with the viewpoints held by Bovis (2007) that schools adopt single-sourcing tendering approach where procurement entities can liaise with suppliers directly and as an individual entity, then engage in negotiation of the terms of the agreement one to one with the said suppliers. In a nutshell, these views are in agreement with the quantitative findings tendering practices or procurement methods are identified by different names for groups of procurement categories. On further probing, QASO2, noted,

*“Quite a number of public secondary schools prefer non-competitive tendering or bidding methods and adopt closed tendering approaches as opposed to open tendering which puts the process into public focus”.*

These findings point to the fact that tendering practices or procurement methods are identified by different names for groups of procurement categories. That is, procurement of goods and works, sometimes including non-consultant services, are grouped separately from consultant services procurement. Thus, secondary schools adopt a variety of tendering methods whose influence in management of school resources is still wanting.

## **7. Research Findings**

The study established that secondary schools rarely adopt open tendering method. Instead, there is too much single-sourcing. This has had deleterious effects of schools' financial prudence, staff relations, curriculum support resources and management of school infrastructure, in secondary schools. This is despite the fact that management of school resources using open tendering method often is likely to display a higher level, than their counterparts in management of resources prudently than the latter. Secondary schools adopt single-sourcing tendering approach where procurement entities can liaise with suppliers directly and as an individual entity, then engage in negotiation of the terms of the agreement one to one with the said suppliers.

## **8. Conclusion**

It is evident that secondary schools rarely adopt open tendering method. Instead, there is too much single-sourcing which has impacted negatively on schools' financial prudence, staff relations, curriculum support resources and management of school infrastructure, in secondary schools. From the study findings, it is also evident that training of tendering and procurement committees has not been effective. That is, most tendering and procurement committee members are rarely taken for induction or any proficiency to sharpen their tendering and procurement skills.

## **9. Recommendation**

The study recommends that schools should adopt integrated tendering methods which are meant to guarantee financial prudence and efficient use of school resources.

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