INFLUENCE OF PROCUREMENT MANAGEMENT PRACTICES ON OPERATIONAL PERFORMANCE OF NAKURU LEVEL 5 REFERRAL HOSPITALS IN NAKURU COUNTY, KENYA

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ABSTRACT

Procurement Management is an important strategic and function in every organization, since it forms a critical part of activity undertaken by organization. The purpose of this study was to investigate the influence of Procurement Management practices on operational performance of Nakuru level 5 referral hospitals in Nakuru County, Kenya. To examine vendor management influence on operational performance of Nakuru level 5 referral hospitals in Nakuru County, Kenya. The study adopted a descriptive research design. The target population consisted of top management and procurement staff at Nakuru level 5 referral hospitals. Stratified and simple random sampling techniques were used in the study. Data was collected using a questionnaire and an interview guide. The quantitative data was analyzed using descriptive statistics while content analysis was used for the qualitative data. Regression model was developed to show

the relationship between variables. Data representation was presented through tables. The study indicates that there was a moderate positive and statistically significant correlation between vendor management and operational performance in Nakuru Level 5 referral hospital in Kenya (r = 0.586; p < 0.05). This implies vendor management enhances that performance operational performance in Nakuru Level 5 referral hospital in Kenya. The study recommends that hospitals should conduct need identification and assessment regularly and should have a functioning online system to facilitate electronic requisition. This will ensure smooth flow of hospital activities enhancing operational performance of Nakuru Level 5 referral hospital. This study suggests that future studies should be done to establish the challenges encountered in procurement management practices in Nakuru Level 5 referral hospital, Kenya.

INTRODUCTION

Background to the Study

Supply chain efficiency is seen as a key tactic for creating these competitive qualities in any industry (Estampe *et al.*, 2018). The expense of setting up and maintaining supply chain performance assessment systems outweighs their advantages. Rajagopal and Zailani (2019) argued that this may be particularly true for relatively small organizations that may not have the time, money, or knowledge necessary to conduct the analysis necessary to improve supply chain operations and green buying methods.

Global perspective conflict resolution

Globally, Dimitri, Dini, and Piga (2016) contended that Europe, the United States, and Southern America all exhibit a strong trend toward effective supply chain performance. However, due to the bureaucracy and rigidity of businesses, it is crucial to assess the inventory management practices, inventory costs and time taken to deliver the supply. In Finland supply chain performance have experienced public procurement productivity, good performance in this area which has help the governments better inventory costs, timely supply and inventory

handling thus easing pressure on public finances, and cut expenditures (OECD Finland, 2019). Averting that improving purchasing management techniques have a smooth and efficient performance of supply chains not only worldwide but geographically and locally, Ricarda (2016) warns in Geneva.

Regional perspective Conflict Resolution

Regionally, supply chain performance is appalling, with the majority of African nations experiencing severe levels of medication shortages as a result of ineffective procurement procedures. Several significant elements, including transportation, information technology, and others, have been identified as driving supply chain performance in Sub-Saharan African businesses (REO, 2017). The understanding of vital roles that equipment performs in supply chain managements has led to the commencement of a number of significant infrastructure projects in the East African region. For instance, insufficient procurement procedures hindered the provision of healthcare in Malawi, which resulted in frequent and protracted drug shortages and stock outs in public hospitals (Kanyoma & Khomba, 2017).

Local perspective Conflict Resolution

In Kenya, Gakinya (2018) performed an inventory management and supply chain survey, stating that inventory management, standardized purchases and bulk orders are the present trend in centralizing purchases within state organizations. In another research of sugar manufacturing companies; Lwiki, (2018) shows that, in line with the implementation of inventory management procedures, companies have moved to centralizing their buying processes by adopting e- procurement, standardizing their purchases and adhering to procurement laws. Makabira and Waiganjo (2019) researched the significance of procurement management on the achievement of corporate firms in Kenya. The findings were that Kenya National Police employed procurement practices in its operations and that the organization has benefited from employing procurement controls. Karanja and Kiarie (2020) conducted research on Guaranty Trust Bank to indicate the impact of procurement practices on organizational performance in private scope. The study also noted that procurement planning was a major contributor to organizational performance.

The Nakuru Level Five Referral Hospital is a government provisional hospital located in Nakuru County, which begun as a military hospital in 1906. The hospital is cited as the fourth largest referral hospital aiding a population of nearly 3.6 million in South and Central Rift Valley and neighbouring regions such as Western, Central Kenya and North Rift Valley attending to more than 1800 patients per day (Nakuru County Business Portal, 2018). The hospital conducts both undergraduate and postgraduate training programmes; it is a credited training centre for part one MCS COSECSA (College of Surgeons of East, Central and Southern Africa) in general and orthopaedic surgery, and also serves as the training centre for, Kabarak University, Egerton University, Nakuru MTC, PCEA MTC and St. Marys MTC undergraduate medical school. The hospital accommodates surgeons of all kinds; particularly if they are capable bringing a teaching package. The hospital is also particularly interested in receiving reconstructive surgeons, Ear Nose and Throat specialists, orthopaedic surgeons and colorectal surgeons (Alex Medical and Educational Clinic in Africa, 2018).

Statement of the Problem

NACPD (2017) report, poor supply chain performance in Kenya results in subpar health treatment in public hospitals, despite available procurement management. According to Choy (2012), 50% of the costs in public hospitals are attributable to ineffective procurement methods. The public health institutions' supply chains are performing worse as a result of bad procurement management procedures (Areri & Gekara, 2019). Although many hospitals have acknowledged the importance of supply chain performance, implementing methodologies, strategies, and standard procedures that have been extensively established in industrial settings is still a major challenge. This has greatly contributed to the present lack of medications and other key supplies needed for hospitals to efficiently carry out their primary responsibilities (Odero, 2016).

Numerous researches have been conducted on procurements managements practices and supply chain performances. For instance, Erik and Vennston (2018), examined procurement regulations on supply chain performances, explained that deliver the final customer's desired good or service as quickly and affordably as possible. The study conducted in a developed country by Akitonye (2018) focuses on the supply chain performances manufacturing companies in Germany. this study was conducted in developed country and therefore the findings cannot apply for the case of Kenya-a developing country, study showed a contextual gap. While Erik and Vennston's (2018) study focused on procurement policies and operational chain performance, Bartik's (2019) study concentrated on impacts of procurements policies on organizational performances, providing a conceptual gap.

From the aforementioned, it is noted that the studies showed contextual and conceptual gap which this study aims to bridge. Also limited studies have been carriedout on procurement management practices on organizational performances on referral hospitals in Nakuru County. Therefore, this study aimed at examining influence of procurements managements practices on operational performances of Nakuru Level 5 referral hospitals in Nakuru county, Kenya. The study will also establish challenges facing the procurement processes in Nakuru level 5 referral hospital since most of counties have frequently complained of differed procurement and supply of Health commodities which adversely affect availability of essential medical supplies in health facilities and delay in training of county teams. Suppliers have also complained of poor supplier management hence this research endeavored to establish and provide practical recommendations.

Purpose of the Study

The purpose of this study was to investigate the influence of Procurement Management practices on operational performance of Nakuru level 5 referral hospitals in Nakuru County, Kenya.

Objectives of the study

To examine the influence of vendor management on on Procurement Management practices on operational performance of Nakuru level 5 referral hospitals in Nakuru County, Kenya.

Research Question

How does procurement planning influence performance Procurement Management practices on operational performance of Nakuru level 5 referral hospitals in Nakuru County, Kenya. ?

LITERATURE REVIEW

Introduction

Vendor Management and Performance of Nakuru Level 5 Referral Hospital

Vendor management is the process that empowers an organization to take appropriate measures for controlling cost, reducing potential risks related to vendors, ensuring excellent service deliverability and deriving value from vendors in the long-run. This includes researching about thebest suitable vendors, sourcing and obtaining pricing information, gauging the quality of work, managing relationships in case of multiple vendors, evaluating performance by setting organizational standards, and ensuring that the payments are always made on time (Brown & Hyer,2020). Supplier relationship management is essential to the achievement of corporate supply chain leadership (Harland, 1996). In specific, strategic interactions with critical providers need to be understood in order to maximize value creation in procurement. Studies have shown that the effective management of these interactions contributes to a strong performance (Tan, 2019). Dimensions such as confidence and engagement are shown to play a significant part in high-valuestrategic interactions where particular investments are high and contractual governance alone is not sufficient in such relationships, it is essential for both sides to recognize that they are gainingvalue from the relationship if they do so.

Wangeci (2013) performed a survey on vendor management and supply chain efficiency in the alcoholic beverage sector in Kenya. The particular goals of the research were to determine the magnitude of SRM in the alcoholic beverage sector; to determine the effect of SRM on the supply chain performance of the alcoholic beverage sector in Kenya; and to identify the difficulties facing the implementation of SRM in the alcoholic beverage sector in Kenya. The research found that companies in the alcohol beverage sector are moving towards cooperative relationships with their providers in order to enhance the efficiency of their supply chain. Tangus (2015) researched the effect of vendor Management on Manufacturing Firms performance in Kisumu County, Kenya. Her research discovered that confidence is a critical factor in fostering engagement among supply chain partners. She also found that the existence of confidence greatly improves the likelihood of good procurement results. Lack of confidence between supply chain partners often results in inefficient and inefficient performance as transaction costs (verification, inspection and certification of their trading partners) increase.

In Ghana, public purchasing process is mandatory by Act 663 of 2003; that a formal procurementassessment or appraisal of vendors is required to determine performance. The performance of the Procurement process within the public system may be a direct or an indirect yield of the processes depending on the objectives, goals, expectation and customer satisfaction

(Sollish and Semanik 2017). The foremost thing for consideration during the procurement process is identifying the specific needs, how to pay for these needs and a review of the whole output. (Emmert & Crocker2018). In Ghana there is a direct correlation between public sector procurement vendor management and the functioning of set targets that are achieved. These procedures usually provideguidance on the period, value, supply time and availability rate of the product which are crucial tothe vital performance of the functions of purchasing. Selecting a proficient and dependable contractor is one of the greatest problems consumers who wish to achieve organization success face (Kumaraswamy & Anvuur, 2018). Vendor assessments can encompass many diverse factors, for example, cost, technical capability,management aptitude, previous experience, the object of reference, environmental and quality management systems, financial solidity and concerted skills (Lam et al., 2011; Eriksson & Laan,2007; Malmberg, 2017). Other authorities have considered the procurement practices to be similarto the supply chain management practices which is the set of activities undertaken by anorganization to promote effective management of its supply chain (Koh et al., 2017).

There are approaches applied in integration, managing and coordination of suppliers in order to satisfy clients in effective way (Wong et al., 2018); as tangible activities/technologies that have arelevant role in the collaboration of a focal firm with its suppliers and/or clients (Vaart & Donk, 2018) and as the approach to involve suppliers in decision making, encouraging information, sharing and looking for new ways to integrate upstream activities. During the negotiating process, parties should think carefully about the kind of commitments they should be prepared to make. One way to build trust is to create a commitment structure that can be implemented in stages. Thekey to negotiating a beneficial outcome is the negotiators ability to consider all the elements of the situation carefully and to identify and think through the options. Organizations are required to seekthe best value of working relationship for short term and long operations with suppliers.

Sandeep et al. (2017) postulate that inventory management may result in unwarranted losses if theorganization always has stock outs, a lack of adequate warehousing plans, the delivery of incorrectproducts to clients, as well as absence of adequate paperwork for the products purchased. The employees must comprehend and apply the inventory management methods to guarantee that theorganization receives value for its cash. According to Macharia and Mukulu (2016), the just-in- time (JIT) stock technique is an approach in which materials, components and other products are ordered only in amounts needed to satisfy instant requirements. These items are then closely planned to be received exactly at the moment they are required. This will increase effectiveness, reduce waste and eventually minimize inventory management expenses and lead time expenses. They noted that the just-in-time (JIT) stock technique enables organizations to effectively meet organization set goals and objectives.

Cheruiyot (2018) postulates that companies should embrace lawful stock control methods, a competent and sensible inventory information system so that they can alter the expenses and hazards of stock control against the favorable conditions of getting stocks immediately open for smooth operation. Cut down inventory rates are equally undesirable as they interfere with development, loss of goodwill and high demand for expenses.

Inventory management is a complex decision making process that requires analysis of multiple criteria parameters, which in practice are usually non-deterministic in nature. Decisions are made in conditions of uncertainty. The most popular classical methods for determining inventory levelsinclude Economic Order Quantity (EOQ) model, the Re-Order Point (ROP) models and Re-OrderCycle (ROC) (Krzyzaniak & Cyplik, 2017). Safety stock aims to cover the unexpected changes inthe demand, Grzybwska, (2010). Inventory Management (IM) is an inter-disciplinary concept (Larson and Halldorsson, 2014).

Inventory management revolves around a cross-functional and across the boundaries of the firm (Ellram & Cooper, 2019). Halldorsson et al. (2017) argues that key aspects of inventory include the design and management of the structure through inter-organizational relationships. According to the 17th Annual State of Logistics Report Wilson (2016), business logistics cost as a percentage of US gross domestic product has grown to 9.5 percent, and of the over \$1 trillion spent on logistics, approximately 33 percent is attributed to the cost of holding inventory. Thus, inventory management research is critical in procurement. Inventory programs can make inventory commitment more efficient and improve customer service. In a recent examination of the future of the discipline of logistics and logistics research, Davis – Sramek And Fugate (2017) uncovered that leading discipline visionaries feel that one area in which logistics researchers must focus on is coordination and collaboration, and subsequently, the inventory management literature published in logistics journals has evolved in recent years inthat direction. Inventory management according to Heizer and Render (2016) indicated that businesses hold these stocks for various reasons, including protection against general shortages or potential problems with suppliers, or, because unit price rises may be imminent. Nevertheless, theliterature focuses upon stock replenishment policies.

Typically, the resultant inventories enable firms to perform a service economically, without the beneficiaries suffering any untold delays. Thus, inventory planning and control bears great significant. The order placing discipline minimizes the cost of transferring goods, besides shortening the associated lead times and that there are sufficient incentives for the parties to cooperate because the recipients pays for the upstream storage and freight in one way or another. Effective inventory management depends on understanding all the details of what is inventory management. By applying lean practices to all aspects of the inventory management cycle, organizations can reduce investment in standing inventory, plant rental, shipping costs, reverse logistics while maintaining or improving client service levels and in-stock metrics on critical inventory (Confessore, Rismondo & Stecca, 2019).

Theoretical Framework: A Review of Theories on vendor management

Agency Theory

The Agency's theory takes into account the fact that the parties involved in the project are developing different interests in the tendering process and the evaluation process. The relationshipthat exists within the parties may be referred to as an agency. Parties have an agency relationshipwhen they cooperate and engage in an association that allows one party (principal) to delegate decisions and work to / or another (agent) to act on its behalf (Tenhiälä,

Rungtusanatham & Miller,2017). The basic premise of the Agency's theory is that; prospective objective disputes exist between the Principals and Agents; each Party acts in its own self-interest; there is frequent resemblance between Principals and Agents; agents are more risk-averse than the Principal; and efficacy is the criterion. Two future issues stemming from these assumptions may occur in the Agency Relationships: The Agency Problem and the Risk Sharing Problem (Xingxing 2017).

According to the theory party (principal) another (agent) contracted to conduct certain services on their behalf. The principal is passed on to the officer by the decision-making power. The distinction between consumers and vendors will lead in the two sides being concerned only with their own interests (Xingxing 2016). The principal agent relationships affect the decisions of top management engagement which in turn influences the relationship between organizations and vendors. The existence of a conflict of interest between officials contributes to the execution of procurement procedures against conventional policies that lead to a waste of time in the tendering and cancelation of tenders advertised and to the loss of procurement resources.

The Agency's Theory Model is based on the reality that information asymmetries and self-interestvalues lack the foundation for trusting their designated agents and will try to mitigate these issuesby implementing processes to align agents ' interests with values and to decrease the scope of information asymmetries and opportunistic trends (Keng'ara, 2018). The theory is relevant because the determines how procurement managers execute procurement practices on behalf of Nakuru level 5. Existence of poor principle agent relationship leads to low level of top management commitment and this also affects the relationship between institutions and the suppliers. Existence of conflict of interest amongst the agents leads to execution of procurement practices against the procurement policies and this leads to increased procurement budget and lossof procurement funds (Brown & Hyer, 2019). The research thus used this model to determine theimpact of Vendor Management and performance of Nakuru level 5 referral hospital Nakuru county Kenya.

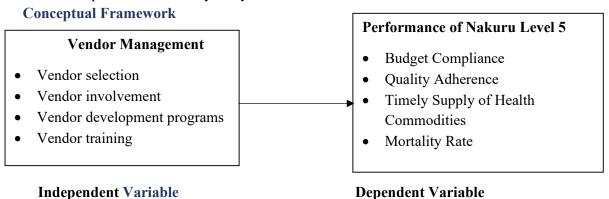


Figure 1: Conceptual Framework (Source researcher, 2023)

The conceptual framework shows the relationship between Inventory management practice employed in a organization to ensure no stock out and working capital is well managed at of Nakuru level 5 referral hospital Nakuru county Kenya.

RESEARCH METHODOLOGY.

Introduction.

This study employed descriptive survey research design. Nachmias and Nachmias (2018) depictsresearch design as a logical model of evidence that enables the researcher to make inferences on causal relationships between the research parameters. It describes existing phenomena by asking questions about individual attitudes, beliefs and perceptions. In addition, this method was selectedsince it is more accurate and precise as it describes events in a well-planned way (Orodho, 2015).

Target population

The unit of population for this study were hospital manager, Procurement officer, Accountants and procurement staff. Therefore, the study's target population was 357 comprising of hospital department managers, procurement officer, Accountants and procurement staff from the Nakuru level 5 referral hospital.

Sampling technique and sample size

Table 1: Sample Size

Category	Population	Sample Size
Managers	23	12
Procurement Officers	33	17
Accountants	17	09
Procurement staff	284	148
Total	357	186

Source: human resource management records (2024)

Data Collection procedure

This study made use of a questionnaire and an interview guide to collect primary data. The questionnaire was administered to include to the respondents by dropping the questionnaire and collecting it later method at an agreed date not later than two weeks while interviews were conducted after prior arrangement to the department managers. Cooper and Schindler (2017) noted that the use of structured questions within a questionnaire and an interview guide enhances uniformity. The interview guide was administered through face to face interviews.

Data Analysis Techniques

In order to achieve the study objectives, the data collected was analyzed using descriptive statistics(measures of central tendency and variation measurements). The data analysis process involved several stages: For completeness and consistency, the completed questionnaires and interview guide was edited; the data was checked for errors and omissions before entering into statistical software for social sciences (SPSS V25). The quantitative data was analyzed using descriptive statistics such as frequencies and percentages, mean scores and standard deviation. The qualitative data from the open-ended questions was analyzed using conceptual content

analysis and presented in prose. Data representation was done through tables. In addition, regression analysis was used to determine the influence of procurement management practices on operational performance of Nakuru Level 5 hospital. The regression model was as follows;

 $Y = \beta_0 + \beta_1 X_1 + \epsilon$

Where Y = Operational performance

 $\beta_0 = Constant$

 $\beta_{1}, X_{1} = Vendor management$

e = Error term

Ethical Considerations

To maintain ethics during the data collection period, the researcher first obtained a cover letter from Mount Kenya University to introduce himself to the hospital management. The researcher received approval from the Ethics Review Committee and the National Council for Science, Technology and Innovation (NACOSTI). The respondents also assured of the confidentiality of the data collected and ensure voluntary participation by issuing an informed consent to the respondents to sign before participating in the study. The respondents were not allowed to write their names on the questionnaires.

RESEARCH FINDINGS AND DISCUSSIONS

Introduction

The chapter focuses on data analysis, results presentation and discussion of the findings. The main purpose of this study was to investigate the influence of Procurement Management practices on operational performance of Nakuru level 5 referral hospitals in Nakuru County, Kenya.

Response Rate

The study issued 186 questionnaires for the survey. However, 167 were duly filled and returned. This represented a 90 percent successful response rate. Trex (2018) suggested that a response rate of 50% is sufficient, 60% is good, and 70% and above is very good for analysis. This means that a response rate of 90% was very suitable for data analysis.

Level of experience in Procurement

From the findings 27(16%) of the respondents had experience on procurement for a period of 0-2 years, 28(17%) had experience of 3-5 years, 35(21%) had 6-10 year experience. Those who had experience of between 11-20 years were 57(34%) while those who had experience above 21 years comprised of 20(12%). These revealed that majority of this respondent therefore had a wide experience in experience in procurement in Nakuru level 5 referral hospitals in Nakuru County, Kenya.

Descriptive statistics

Vender management and performance of Nakuru Level 5 referral Hospital

The respondents were to indicate their level of agreement on inventory management on performance of Nakuru Level 5 referral Hospital, Kenya. The findings are as indicated in Table 2.

Table2: Extent of the level of agreement on Inventory management and performance of Nakuru Level 5 referral Hospital

Vender management 5 4 3 2 1

venuer management	3	4	3	L	1		
N	%	%	%	%	%	Mean	Std
Project inventory requisition has an optimal stock 167 level which is strictly adhered to	44	26	15	11	4	4.65	.74
Inventory is properly tracked to ensure its safe 167 guarded against loss	37	31	24	13	4	4.19	.69
Stores are properly tracked to ensure inventory 167 quality is maintained	41	40	16	2	1	4.24	.72
Nakuru Level 5 referral Hospital practice just in 167 time inventory management	33	34	23	7	3	4.25	.84

(Source field data, 2024)

The research findings on inventory management on performance of Nakuru Level 5 referral Hospital, Kenya indicated the following results. Majority of the respondents (44%) strongly agreed, 26% agreed, 15% were neutral, 11% disagreed while and those who strongly disagreed were at 4% that project inventory requisition has an optimal stock level which is strictly adhered to with a mean of 4.65 and standard deviation of 0.74.

The research findings on inventory is properly tracked to ensure its safe guarded against loss indicated the following results. Majority of the respondents (37%) strongly agreed, 31 % agreed, 24 % were neutral, 13 % disagreed while and those who strongly disagreed were at 4 % with a mean of 4.19 and the standard deviation of 0.69. The research findings on stores are properly tracked to ensure inventory quality is maintained indicated the following results. Majority of the respondents (41%) strongly agreed, 40 % agreed, 16 % were neutral, 2 % disagreed while and those who strongly disagreed were at 1 % with a mean of 4.24 and the standard deviation of 0.72.

The research findings on Nakuru Level 5 referral Hospital practice just in time inventory management indicated the following results. Majority of the respondents (34%) strongly agreed, 33 % agreed, 23 % were neutral, 7 % disagreed while and those who strongly disagreed were at 3 % with a mean of 4.25 and the standard deviation of 0.84. These results showed that

inventory management has an influence on performance of Nakuru Level 5 referral Hospital, Kenya.

Inferential Statistics

Correlation Analysis

Vendor management and operational performance in Nakuru Level 5 referral hospital, Kenya

The findings on correlation between vendor management and operational performance in Nakuru Level 5 referral hospital of the study are as shown in Table 3.

Table 3: Vendor Management and Operational Performance

		Operational performance in
		Nakuru Level 5 referral hospital
		in Kenya
vendor management	Pearson Correlation	.586**
	Sig. (2-tailed)	.000
	N	167

^{**.} Correlation is significant at the 0.05 level (2-tailed).

As indicated in Table 18, there was a moderate positive and statistically significant correlation between vendor management and operational performance in Nakuru Level 5 referral hospital in Kenya (r = 0.586; p < 0.05). This implies that vendor management enhances performance operational performance in Nakuru Level 5 referral hospital in Kenya.

Table 4: Regression Coefficients

Model		tandardized pefficients	Standardized Coefficients	t	Sig.
	В	Std. Error	Beta	-	
(Constant)	.066	.139		.272	.761
Vendor management	.254	.125	.271	2.547	.019

Table 4 shows the overall significant test results for the hypothesized research model. The interpretations of the findings indicated follow the following regression model.

 $Y = \beta_0 + \beta_1 X_1$

Therefore,

 $Y = 0.066 + 0.254X_1$

Holding on the other independent variables constant, a unit increase in vendor management would lead to a 0.254 improvement in performance of Nakuru Level 5 referral hospital in Kenya.

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Introduction

This chapter provides a detailed summary of the main results of the actual study; it then draws conclusions and discusses the implications of those findings. Finally, some recommendations and suggestions for areas for further research are presented. The objective of this study was to determine the impact of procurement management practices on the performance of Level 5 Hospitals in Nakuru, Nakuru County, Kenya.

Vendor Management and Performance of Nakuru Level 5 Referral Hospital

The findings of the study on vendor management statements had an influence on operational performance of Nakuru Level 5 referral hospital. Project inventory requisition has an optimal stock level which is strictly adhered to; Inventory is properly tracked to ensure its safe guarded against loss. Stores are properly tracked to ensure inventory quality is maintained. Nakuru Level 5 referral hospital practice just in time inventory management. The overall results revealed that inventory management statements had an influence on operational performance of Nakuru Level 5 referral hospital in Nakuru county, Kenya.

Conclusions of the Study

The study showed that there was a moderate positive and statistically significant correlation between vendor management and operational performance in Nakuru Level 5 referral hospital in Kenya (r = 0.586; p < 0.05). This meant that vendor management enhances performance operational performance in Nakuru Level 5 referral hospital in Kenya.

Recommendations of the Study

From the findings of the study, the hospital delivery schedules for various health supplies should be clearly planned and adhered to improve this delivery schedules through online to ensure timelines are adhered to. This will ensure smooth flow of hospital activities enhancing operational performance of Nakuru Level 5 referral hospital.

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