

**PROCUREMENT PRACTICES AND SERVICE DELIVERY IN BOSASO  
DISTRICT PUNTLAND SOMALIA**

**BY**

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UNIVERSITY**

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## DECLARATION

I hereby declare that this dissertation is my original work and has not been submitted for a degree or any other academic award at any university or institution of learning.

Signature: -----

Date: 16<sup>th</sup> / 11 / 2024-----

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## APPROVAL

I affirm that this research dissertation has been under my supervision and is now ready for submission to directorate of research and post graduate studies of Kampala International University with my approval as a university Supervisor.

Signature: \_\_\_\_\_

Date: 15/11/2024

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**SUPERVISOR**

## **DEDICATION**

This work is dedicated to my family, whose unwavering support has been the cornerstone of my academic journey. Their financial and moral encouragement has been invaluable, and it is to them that I owe my deepest gratitude.

## **ACKNOWLEDGMENT**

First and foremost, I extend my deepest gratitude to Almighty Allah for His endless blessings and guidance. Without His divine intervention, reaching this milestone would not have been possible.

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## **LIST OF ABBREVIATIONS**

WFP	World Food Program
UK	United Kingdom
SCI	Supply chain Integration
ADB	Agricultural Development Bank's (ADB)
TCT	Transaction Cost Theory (TCT)"
USA	United States of America
OECD	Organization of Economic Committee on Development

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## ABSTRACT

The purpose of the study was to determine the effect of procurement practices on service delivery in Bosaso District, Puntland, Somalia. The research was guided by three specific objectives: (1) to examine the effect of procurement planning on service delivery, (2) to assess the impact of supplier relationship management on service delivery, and (3) to evaluate the influence of contract management practices on service delivery in Bosaso District. Employing a cross-sectional survey design, the study used a mixed methods approach, integrating both quantitative and qualitative data collection techniques. The target population comprised 385 employees from various government sectors, including health, education, finance, community, and local leaders, with a sample size of 196 respondents selected through stratified and simple random sampling techniques. Quantitative data were collected via structured questionnaires and analyzed using simple linear regression, while qualitative data were gathered through interviews with procurement staff. The findings revealed that procurement planning has a statistically significant but low impact on service delivery in Bosaso district Puntland, Somalia ( $p=0.000$ ). This aligns with existing literature, highlighting the importance of well-structured procurement plans in resource utilization and budget efficiency. Supplier relationship management was found to have a statistically significant positive but low effect on service delivery in Bosaso district Puntland, Somalia ( $p=0.000$ ), consistent with studies that emphasize the role of effective supplier interactions in enhancing organizational performance. Contract management practices showed a statistically significant moderate effect on service delivery in Bosaso district Puntland, Somalia ( $p=0.000$ ), underscoring the importance of systematic contract management in achieving better service outcomes. The study concludes that while procurement planning and supplier relationship management have positive effects on service delivery in Bosaso district Puntland, Somalia, their impact is relatively low. In contrast, effective contract management has a more substantial influence. The research highlights the need for improved procurement planning and stronger supplier relationships to optimize service delivery in Bosaso district Puntland, Somalia. The study recommends a comprehensive revision of procurement policies, rules, and regulations to incorporate flexible clauses that can adapt to emerging trends in the procurement process, reflecting the evolving nature of the profession. Additionally, it is crucial for the government to enhance contract management practices by focusing on reducing lead times, promoting cost avoidance, and minimizing defect rates, while ensuring the consistent availability of reliable suppliers. These measures will contribute to more effective procurement processes and improved service delivery. Furthermore, strengthening the contract management team by ensuring they possess the requisite financial capabilities and expertise is essential for project success. Such enhancements will ensure that procurement activities are managed efficiently, align with organizational objectives, and achieve desired outcomes.

# CHAPTER ONE

## INTRODUCTION

### 1.0 Introduction

This chapter includes the introduction, background of the study, statement of the problem, purpose of the study, research objectives, scope of the study, significance, and operational definitions of key terms.

### 1.1 Background of the study

#### 1.1.1 Historical Perspective

Historically, by the turn of the 19th century, the majority of European nations had started to implement liberalized production economies, involving the private sector in the legal contracts employs to provide services that were granted and overseen by government departments in both the local and central government service sectors (OECD, 2008). The origins of government service provision monitoring can be traced back to the 1920s in other industrialized economies, including the USA (Weele, 2002). Similarly, at the turn of the 19th century, established Asian nations like China and Japan had started using private contractors to provide public services (Hunja, 2003). Therefore, effective procurement management became a priority in all nations as a way to guarantee and fulfill national interests and demands in the way of providing services.

Around the world, the World Bank (2017) states that an integrated and adaptable contract management program is necessary to protect against unintended contract expiration and the potential for contracts to not yield value for money. The World Bank adds that, in terms of the aspects more particular to service delivery, efficient contract management is necessary to ensure that parties to a procurement and supply agreement will adhere to time, cost, quality, and other agreed-upon issues. Systematic and effective planning, implementation, monitoring, and assessment should all be a part of contract management. In order to achieve value for money and best contract results. The changing nature of society, with its accompanying complexity and technological growth brought with it changes in the nature and quality of services delivered. Service delivery in the world today is coupled with developed countries of Europe and America which have had and witnessed issues while the trend is considered good in these countries, Africa experience a negative trend seriously affecting the provision of needs to citizens. Africa registers

high degree of service delivery with 53.8% of them in poor services and Uganda is not an exception.

The employment of contractors in the service delivery programs of colonial powers, particularly for civil works and the supply of goods and services, was brought about in Africa by the underdevelopment of local capacity during the colonial era under the decentralization concept of government (World Bank Report, 2005). Komakech (2020) acknowledges that in East Africa, efficient contract administration is essential to government establishments realizing value for money and desired project outcomes. Planning, performance monitoring, and effective contract administration are essential components that span the whole contract management cycle. Furthermore, Oluka and Basheka (2012) emphasize that contract management is absolutely crucial to advancing this goal in public procurement if effective and efficient service delivery is to be realized. Procurement practices are supposed to develop and induce public procurement systems in the country. In developing countries, public procurement is increasingly recognized as necessary in provision of social welfare (Basheka&Bisangabasaija, 2010) and leads to high proportion of expenditure. As stated in Basheka and Bisangabasaija, public procurement, for instance, accounts for 60% of public spending in Kenya (Akech, 2005), 58% in Angola, 40% in Malawi, and 70% in Uganda (Gov. of Uganda, 2006). The framework of international commitments, such as the World Trade Organization's agreement on government procurement instructions created through regional arrangements through the European Union or the North free trade agreements, governs public procurement in industrialized countries.

In Somalia, service delivery quality is an aspect of the procurement practices in the country. Abubakare, (2015) contend that service delivery quality, efficiency, economy and timeliness is not well. He believed that this might be the result of a lack of resources or an inability to offer quality work at a reasonable cost.. So it's challenging to hold the actual providers of public services responsible for their work's effectiveness and quality while still giving them the tools and managerial power they need to execute so. In the hotspots, the prevalent perception is that political leadership is inept, prone to corruption, unresponsive to community concerns, and highly indifferent to the communities, all of which jeopardize local government service delivery.

### **1.1.2 Theoretical Perspective**

The study was anchored on transaction cost theory and Allocative efficiency theory. The study is based on transaction cost theory advanced by Williamson (1979). The fundamental idea behind "Transaction Cost Theory (TCT)" is that organizations need to understand that exchange transactions need to be controlled and that the type of governance a company chooses will determine its level of success. According to the idea, positive transaction costs are primarily caused by three factors. Second, the theory says that because it is hard to agree on the same business language globally, contracting parties will still find it challenging to communicate about these plans, even if perfect planning were achievable (Hart, 2005). Thirdly, it is considered that planning and negotiating for a fully contingent contract is difficult for contractual parties, which complicates enforcement. As a result, contracts become incomplete. Hence, transaction cost theory offers Bosaso district's primary concern in an outsourcing process that seeks to minimize transaction costs with appropriate scientific backing. The adoption of e-procurement is an endeavor to provide the service delivery at reduced costs. Before procurement practices and its activities, Bosaso district required to undertake a cost-benefit analysis, comparing the expenses of outsourcing the task against the costs of carrying it out in-house. Therefore, Bosaso District should consider the entire process and implement procurement when the advantages of having a different business complete the same task outweigh the expense of managing that supplier.

Farrel (1957) introduced the Allocative Efficiency Theory in the late 1950s. The theory demonstrates how limited resources can be used effectively to satisfy people's wants in the best possible way. A suitable amount of resources must be made available for people's needs and projects in order for allocative efficiency to continue operating. The theory is helpful in this study because it illustrates how to improve allocative efficiency through the use of revenue collection, budgeting, auditing, and governance. According to Brumby (2007), the traditional perspective on public finance, stabilization, reallocation, and redistribution are the three main objectives of public finance management. The three goals' interrelationships are what lead to the main problems in public finance. Budgetary tools to ensure that both deflation and inflation are used to attain the stabilization goal. The fiscal policy of the government regulates different stages of business volatility. Using a deficit budget during deflation and a surplus budget during inflation can help preserve economic stability. A public sector can only develop progressively and advance the service delivery in the presence of a functioning procurement Practices. Procurement Planning,

supplier relationship management and contract management is a tool that Bosaso district employs when it wants to make interventions for service delivery.

### **1.1.3 Conceptual Perspective**

According to Agaba and Shipman (2017), procurement techniques are the methods public or private organizations use to schedule their purchase activities for a given time frame. Usually, this is finished during the budgeting procedure. Departments must create annual budgets for personnel, costs, and acquisitions. The procedure for procurement practices starts with this. Behn (2014) defines procurement practice as the method used by businesses or government agencies to schedule their purchases for a given time frame. Usually, this is finished during the budgeting procedure. Departments must create annual budgets for personnel, costs, and acquisitions. The procedure for procurement practices starts with this.

Procurement planning is therefore the process that companies use to plan activities for a specific time frame, adopted by organizations to plan for activities of purchasing over a specified period of time. The gist of procurement planning is that when planning is done in advance, it can facilitate cost minimization, ensure efficient operations, and consequently enhance profitability (Thai, 2004). According to Tadesse, (2017), procurement planning is the process used by companies or public institutions to plan purchasing activity for a specific period of time.

Supply Relationship Management: SRM is defined by Akamp and Müller (2013) as the practice of planning, implementing, developing, and monitoring company relationship with current and potential supplier.

Contract management to be all those activities of administration concerned with managing contracts which include; appointing the contract manager or constituting the contract management team, planning contract implementation, management of quality, administering the contract, and monitoring its implementation. Contract management also encompasses contract completion which covers the preparation of a final deliverables report, the final acceptance or handover, managing defects liability or warranty periods, archiving records, processing payment, project commissioning and close out.

In this study, service delivery was the second concept. A service is something that the general public requires and that is planned and coordinated by the government or an official organization. Examples of these include hospitals, energy supply, transportation, and communications facilities.



Therefore, the process of a body or service provider promptly supplying the resources that the public or citizens require is known as service delivery. According to Telgen (2007), service delivery in the service setting is measured in terms of the quality of services, the time of delivery of service, number of complaints from users, and the level of satisfaction of users among others. Service delivery. Service delivery is getting services as effectively and quickly as possible to the intended recipient. In most cases, service delivery implies a degree of excellence on the part of the organization and is a hallmark of economies that have moved past the production phase (Ntongo, 2010).

#### **1.1.4 Contextual Perspective**

Bosaso district, Somalia, procuring organizations is involved in designing and implementing Procurement practices associated to facilitation of the procurement processes in the organizations Hu and Hsu (2008). There are several reasons why procurement procedures are becoming more and more important especially aimed at ensuring that ensuring service delivery amongst the people in the district. Therefore, the stance of developing service delivery enhancement is an actual activity to increase citizen's awareness to services in the communities.

Bosaso district, a local government unit involved in delivery public services to the people in Bosaso Somalia is either unreliable, untimely, uncoordinated or not efficiency based on the client's needs. Complaints exist in non-performing servers on line, delay in clearances at customs, limited staff to operate a busy tax days which generally call for bribery in the need to access the revenue service's leading to loss of revenue by government (Frazer, 2017). Muhammad, Adamu and Ladi (2015) appraised procurement policies in Somalia and asserted that the success of performance of public sector projects is tied to the impact of procurement strategy. According to them the challenge is not the lack of a regulatory framework but rather that of poor implementation and non-compliance to the laws and regulations by ministries, departments and agencies.

Service delivery in Bosaso district Puntland Somalia is far below the standards, A survey done by world bank (2020) found that health, education and infrastructural service delivery in Bari region is generally poor in the communities of Bosaso district. In was found that only access to quality services was limited to 54.5% in 2018 with 58.7% in 2019, 2020 registered the lowest level with only 42.2% and 2021 registered a 41.4% of the service accessibility (World Bank, 2022). In the

stance of the procurement practices, Service delivery in the country is supposed to be well and in good function but procurement practice loopholes generally affect the service delivery in countries, is it the responsibility of the service delivery in Bosaso district or otherwise, it's based on this that a study on Procurement practices and service delivery in Bosaso district.

## **1.2 Statement of the Problem**

Bosaso district has tried to ensure that service delivery is of good quality, economy and conducted in a timely manner (World Bank, 2022). Despite this, the state of service delivery in Bosaso district is far below the standards. The service delivery in public organizations provided by Bosaso district in health, education and infrastructural services is generally below standards. World bank undertook a study to establish the quality access to the service delivery in Bosaso district Somalia where it was found that access to quality services was limited to few people with only 54.5% of the population accessing services in 2018, 58.7% was registered in 2019, 2020 registered the lowest level with only 47.2% and 2021 registered a 41.4% of the service accessibility (Bosaso District Report, 2021). Furthermore education and health service delivery in Bosaso district is quite complicated with untimely delivery of services to the communities in Bosaso district as a result of procurement and contract problems; this is a result of poor budgeting, unrealistic costs, poor specifications, inability to identify key areas of poor assessment delivery for services. To avert the situation of service delivery in Bosaso district, district management undertook an establishment of mechanisms intended to stimulating procurement practices since all service delivery is undertaken through procurement practices of procurement planning, supplier relationship management and contract management but service delivery remain problematic. It is this unfortunate scenario that risks the future of citizens in Somalia and has affected the quality of service delivery hence a study on evaluating the possibility of procurement practices on service delivery hence a study to investigate the effect Procurement Practices and service delivery in Bosaso district Puntland, Somalia.

## **1.3 Purpose of the study**

The purpose of the study was to investigate the effect of procurement Practices on service delivery in Bosaso district Puntland Somalia.

## **1.4 Research Objectives**

- 1) To examine the effect of procurement planning on service delivery in Bosaso district Puntland, Somalia.
- 2) To assess the effect of supplier relationship management on service delivery in Bosaso district Puntland, Somalia.
- 3) To evaluate the effect of contract management Practice on service delivery in Bosaso district Puntland, Somalia.

## **1.5 Research Questions**

- 1) What is the effect of procurement planning on service delivery in Bosaso district Puntland, Somalia?
- 2) What is the effect of supplier relationship management on service delivery in Bosaso district Puntland, Somalia?
- 3) What is the effect of contract management Practice on service delivery in Bosaso district Puntland, Somalia?

## **1.6 Research Hypothesis**

H01: There is no statistically significant effect of procurement planning on service delivery in Bosaso district Puntland Somalia.

H02: There is no statistically significant effect of supplier relationship management on service delivery in Bosaso district Puntland Somalia.

H03: There is no statistically significant effect of contract management Practice on service delivery in Bosaso district Puntland, Somalia.

## **1.7 Scope of the study**

### **1.7.1 Geographical Scope**

The study was conducted in the Bosaso district of Somalia, located in the northeastern Bari region. Bosaso is the capital of the district, as well as the commercial hub of Puntland state and one of Somalia's key commercial centers. The city's indigenous clan has warmly welcomed people over the past 25 years, contributing to its reputation for hospitality. Ugaas Hassan Ugaas Yaasin is a prominent traditional elder in Bosaso. The city's population is estimated to be around 2,164,906 residents. The choice of Bosaso district is its periodic occurrence of service delivery constraints in the district.

### **1.7.2 Subject Scope**

The purpose of the study was to determine the effect of procurement Practices based on procurement planning, supplier relationship management and contract management and service delivery in Bosaso district Puntland Somalia.

### **1.7.3 Time Scope**

The study covered a period of 2018 to 2023. The study target the period of 5 year since it was the period of current nature Bosaso district service delivery challenges over the time. The period for the research was conducted from October 2022 to June 2023.

### **1.8 Significance of the study**

The results of the study have implications for the procurement personnel of the regional state government in terms of guaranteeing compliance with procurement regulations and efficient service delivery systems.

The economic development and growth of counties is fundamentally important, so these findings will also help county governments understand how important it is to invest in procurement practices in order to fulfill their obligations. Consequently, the findings will make it easier to fully implement and comply with public procurement regulations, which will help to reduce procurement malpractices.

The findings will also help practitioners and entities in general to follow the regulation system in order to improve performance in the institutions. Several academics will be made more aware of the need to develop methodologies for operationalizing the application of public procurement regulations as a result of the findings. As a result, getting value for the money, raising public confidence, and enhancing consumer happiness all increase.

Additionally, the report makes recommendations for places that future researchers and scholars should focus their attention. The study's conclusions guide the district administrations of Bosaso in terms of service delivery and management procedures. The study's findings are highly significant to the stakeholders and both government agencies in Somalia, as they support in the establishment of institutional regulatory frameworks and enhance the efficiency of public procurement practices.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.0 Introduction

This chapter presents a review on the theoretical and empirical literature on the relationship between procurement Practices and service delivery. The empirical literature is presented according to the objectives of the study and the research gaps presented respectively in the study.

#### 2.1 Theoretical Review

##### 2.1.1 Transaction Cost Theory

The study was anchored on transaction cost theory advanced by Williamson (1979). The fundamental idea behind "Transaction Cost Theory (TCT)" is that businesses need to understand that exchange transactions need to be controlled and that the type of governance a company chooses will determine its level of success. According to the idea, positive transaction costs are primarily caused by three factors. One is that most people lack the knowledge necessary to properly prepare and forecast the different eventualities that may develop. They also have inadequate ability to deal with the environment of complexity and unpredictability in which they operate (Macher and Richman, 2006).

Secondly, the theory argues that because it is hard to agree on the same business language globally, contracting parties will still find it challenging to communicate about these plans, even if perfect planning were achievable (Hart, 2005). Thirdly, it is considered that planning and negotiating for a fully contingent contract is difficult for contractual parties, which complicates enforcement. As a result, contracts become incomplete.

According to Williamson (2008), contracting parties must select arrangements that will help lower the anticipated total cost of the transaction in order to prevent opportunistic conduct. The governance frameworks that businesses employ to prevent these contracting can take many various forms, he explains. A last premise of transaction cost economics, according to Williamson (2008), is that significant dimensions along which transactions differ can be found and measured, if not statistically then at least qualitatively.

Williamson (2010) emphasizes the critical role governance plays in the resolution of contractual disputes. He goes on to say that simple modes of governance are appropriate for straightforward

transactions with low risks, while complex modes of organization are only appropriate for complicated transactions with contractual risks.

The noticeable weaknesses of the theory is that because of difficulties in observing and measuring transaction costs, analysts have had to rely on estimations of reduced-form relationships between observed characteristics and organizational forms.’ But ‘such indirect tests are unable to distinguish whether observed patterns of organization resulted from systematic, but as yet unexplored, variations in the costs incurred organizing production internally.

Transaction Cost Theory therefore provides a suitable scientific support for Bosaso district major concern in a process of outsourcing that is looking for minimized transaction costs, the adoption of e-procurement is an endeavor to provide the service delivery at reduced costs. Before procurement practices and its activities, Bosaso district should carry out a cost benefit analysis and compare the costs of performing the activity itself with the cost of outsourcing that activity. Bosaso district should therefore look at the whole process adopt procurement when the benefits of another company doing the same job are greater than the cost of supervising that provider.

Because of the weaknesses of the transactional cost theory, the researcher employs another theory known as allocative efficiency theory.

### **2.1.2 Allocative Efficiency Theory**

Farrel (1957) introduced the Allocative Efficiency Theory in the late 1950s. The theory demonstrates how limited resources can be effectively used to meet people's needs in the best possible way. A suitable amount of resources must be set aside for people's needs and projects in order for allocative efficiency to exist. The theory is helpful in this study because it illustrates how to improve allocative efficiency through the use of revenue collection, budgeting, auditing, and governance.

According to Brumby (2007), the traditional perspective on public finance, stabilization, reallocation, and redistribution are the three main objectives of public finance management. The three goals' interrelationships are what lead to the main problems in public finance. Budgetary tools which prevent both deflation and inflation are used to attain the stabilization goal.

The fiscal policy of the government regulates different stages of business instability. Using a deficit budget during deflation and a surplus budget during inflation can help maintain economic stability.

The government's budgeting policy, which seeks to reallocate resources in accordance with goals for social welfare and profit maximization, also makes the reallocation goal possible. Subsidies and tax breaks that are designed to encourage investment can be used to reallocate resources. For example, the government can set high taxes in order to discourage the manufacturing and consumption of liquor.

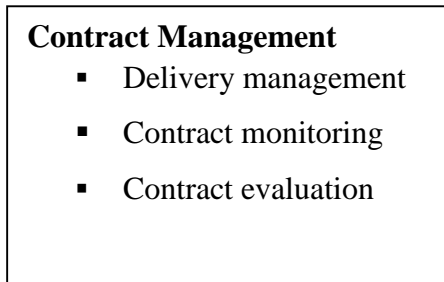
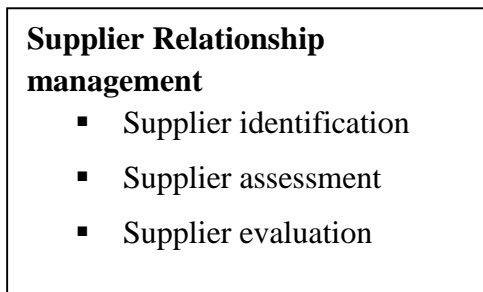
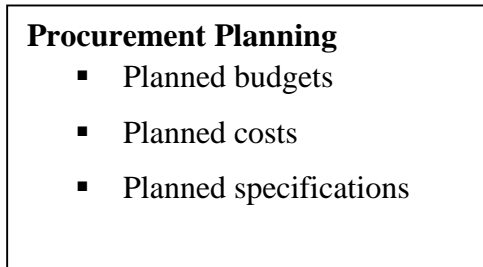
Government involvement in the creation of goods and services that the private sector is not interested in can also be used to reallocate resources. The goal of redistribution can be achieved by employing budgetary tools that reduce wealth and income inequalities. One strategy to lower the earnings of the affluent and raise the living standards of the poor is to tax the rich and spend more on the poor. This will reduce income inequality.

A public sector can only develop progressively and advance the service delivery in the presence of a functioning procurement Practices. Procurement Planning, supplier relationship management and contract management is a tool that Bosaso district employs when it wants to make interventions for service delivery. The reallocation of current service conditions and the establishment of requirements for the preservation of stability in the national financial system are what are causing this impact on supply and demand (Rozkho, 2016).

## 2.2 Conceptual Framework

### Independent Variable

#### Procurement Practices



### Dependent Variable

#### Service Delivery



Source: Adopted from Machoka (2016) and Kabega (2016) and modified by researcher.

The conceptual Framework shows the connection between Independent and dependent variable. The independent variable is measured through contract management undertaken through planning, supplier relationship management and contract management deemed to undertake effective mechanisms for managing the service delivery through service Quality, economy of services and timeliness of services deemed to have a bearing on the service delivery. In the study, Procurement management can have a bearing on service delivery while lack of Procurement practices negatively affects the service delivery.



## **2.3 Empirical Review**

### **2.3.1 Procurement Planning and Service delivery**

The impact of procurement policy, planning, and sustainable procurement on service delivery in Kenya was examined in Augustine Annane's (2019) study. An explanatory design and a quantitative research approach were used in the study. The Volta River Authority's management and employees were the study's target population. Primary data was gathered using a structured questionnaire. For the data analysis in the study, SPSS version 32.0 was utilized. Once more, the study discovered a strong beneficial association between service delivery and sustainable procurement methods. The study comes to the conclusion that service delivery of VRA is significantly predicted by procurement policies, procurement planning, and sustainable procurement. To improve public service delivery, the report advises VRA management to make ongoing investments in sustainable procurement, procurement planning, and procurement policy.

Kebede (2016) evaluated the practice of procurement planning and its execution preparation using the opinions of UNDP Ethiopia personnel. A total of 77 staff members from all requesting units were included in the study, Both a descriptive study design along with a purposive sampling technique were used to choose a sample of 45 respondents. The results show that when it comes to the production of procurement plans, the organization's procedures for early needs identification, specification preparation, price estimates, and consolidation of procurement needs at the office level are not followed in the workplace. The procurement process is not centralized at the office level; rather, it is executed in response to requests from specific units. Additionally, the poll confirmed that while creating purchase plans, the requesting and procurement divisions do not cooperate or function as a team. The study's conclusions about the procurement implementation process revealed that bids were publicly advertised without a strategy, on short notice, and repeatedly undertaken re-advertisements, and that contract amounts varied and terms of reference and specifications were modified.

Similarly Martemy Anova (2018), Jackson and Ombui (2018) Consider the Kenya Agricultural and Livestock Research Organization while assessing the effect of procurement strategy on the provision of services in Kenyan state-owned enterprises. The study's target group consisted of

ninety individuals, including the procurement and finance officers of the Kenya Agricultural and Livestock Research Organization. The study's conclusion—that procurement planning greatly and favorably enhanced service performance in Kenyan state companies—was validated by the findings of the regression analysis. The study also discovered a strong and favorable relationship between the procurement portfolio and service delivery. Additionally, the study discovered a positive and substantial correlation between procurement rules and procedures and service delivery. The study also discovered a strong and positive correlation between procurement planning and service delivery.

Procurement planning is a factor, according to Ocharo (2019), and the plan outlines all the goods from the outsourced suppliers needed to fulfill the needs of various departments. The supply must enable appropriate procurement planning and suitable funds in order for the project requirements to be specified. Nonetheless, the yearly procurement plans draw departments' attention to the procurement prospects through the outlook of strategic procurement, bolstered by the specifics of the procurement planning. It was discovered that procurement strategies affect output. This is due to the fact that they offer targeted and effective resource use, assistance with planning, budgetary processes, and provision of sufficient cash. The aforementioned case study attests to the importance of procurement planning for maintaining organizational effectiveness.

According to Patrick & Wallace (2018), procurement planning improves secondary school service delivery. To increase the value for public resources, the study suggested that procurement plans be dynamic and collaborative, with periodic reviews. Procurement planning may decrease expenses, shorten schedules, strengthen relationships with stakeholders, lower risks, and enhance overall performance.

Kenard (2017) added on to explain that procurement strategy is evaluated based on the price, quality, flexibility, and delivery of goods and services, all of which affect a company's ability to gain a competitive edge while meeting client demands. According to Caroline (2018), good procurement planning promotes effective and efficient service delivery in Kenya's county systems. These findings were also noted by (Ogwel, 2020), who stated that budget planning affected procurement performance and that management was crucial in ensuring that staff members were

qualified, that resources were available, that the budget was adhered to, and that staff members received training to advance their knowledge and abilities. Additionally, suppliers are crucial in ensuring that products and services are delivered on schedule and in accordance with guidelines and standards.

An investigation on the impact of procurement planning on institutional performance was carried out by Onyango (2019), using the Mombasa Law Court in Kenya as a case study. Determining the impact of procurement planning on institutional performance was the primary goal of the research. His research looked at how procurement planning affected the performance of public institutions, focusing on particular goals, cost estimation, need analysis, and quality requirements. The study revealed that the extent to which procurement planning efforts can support the efficient operation of public institutions has not been the subject of much scholarly investigation. Furthermore, the research indicated a statistically significant correlation between purchase planning and performance. The study's recommendations included the necessity for all department users to establish the resource requirements for their own departments in order to provide the procurement department with an appropriate budgetary allocation vote to the needs of the department and prevent resource wastes and overspending without planning, which poses a risk to procurement professionals.

Poku (2017) carried out research on how strategic planning affected the Ghanaian agricultural development bank's operations and performance. This study set out to evaluate how strategic planning affected Ghanaian banks' performance in relation to the Agricultural Development Bank's (ADB) operations. In this investigation, primary and secondary data were used. There was a good degree of agreement among respondents to the surveys regarding the characteristics of the different aspects of a bank that is managed well. The survey also revealed that staff members at ADB either had no idea of program evaluation or clearly disregarded it. The researcher suggests placing all of the different dimensions' components in the proper context to aid in the general bank workforce's understanding of the primary goals and the strategic plans put in place to reach those goals.

David & Muthini (2019) assessed the Influence of procurement planning on Kenyan private health organizations' procurement performance. The study's findings demonstrated a strong relationship between green, sustainable procurement practices and the provision of healthcare services. In this

instance, the service delivery is impacted by the procurement level. An organization can guarantee great productivity if it has the resources to purchase whatever it requires to run its business. Thus, if a business has the right tools and logistics, it may employ its resources to meet the requirement successfully. There is also a high level of consumer procurement due to the increasing manufacturing. The poll also revealed a noteworthy interaction between suppliers and producing organizations. A corporation performs better when it can produce high-quality goods that suppliers can sell. Utilizing a company's products on a regular basis increases profitability yields, which keeps businesses purchasing from them. Furthermore, the resources of an organization greatly impact its actions. This is done in order to enhance service delivery, since resource management ensures significant financial gain.

Nyoike and Ismail (2020) looked at how procurement planning procedures affected the provision of services. According to the study, managers of firms should evaluate their procurements to guarantee efficient procurement procedures. The critical method states that if a company can develop a conceptual plan that considers priority order, it may be able to manage its profitability yields more successfully. Through the use of this process, the company may meet all criteria and obtain all necessary supplies to complete all of its operations.. By doing this, it may enhance its procurement operations by taking charge of all costs associated with acquiring logistics and other equipment. Once more, incorporating contemporary technology into the company helps decision-makers save money and improves service quality. The study also showed how organizational integration and collaboration promote staff unity and how this helps organizations' individual procurement procedures by guaranteeing in-depth questioning and agreement on particular needs.

Husseini and Shale (2019) examined how procurement planning affected the provision of services. The research findings indicate that corporate social responsibility has a noteworthy influence on the provision of services. This suggests that social responsibility needs to be seen as an essential process leading to the creation of high-quality items if a company is to develop a favorable social reputation. It has also been shown that organizations' purchasing efforts can be bolstered by the delivery of high-quality goods. When a company takes on the responsibility of producing high-quality goods for society, it typically operates efficiently. Others in society always have a taste for high-quality goods. If an organization can meet the needs of its customers with high-quality goods,

there will be a strong preference and taste for that specific organization, which will motivate it to continue procuring goods.

Aila&Ototo (2018) evaluated the idea of sustainable procurement; and adding to the provision of services. One of the elements that guarantees organizational progress, according to the report, is sustainable procurement. The study concludes that procurement sustainability is crucial for a business. The word "sustainability" itself refers to the process of making choices that will raise the community's social, economic, and standard of life in order to secure the long-term viability of the organization. This means that in order to guarantee excellent service delivery, enterprises need to give thought to the sustainable procurement approach. Furthermore, efficient use of resources allows the company to avoid unnecessary costs, which increases the procurement process and improves overall performance.

### **2.3.2 Supplier Relationship Management and Service Delivery**

Sabet, Yazdani, and De Leeuw (2017) conducted research on SCI methods used by fast-moving consumer goods companies in the United Kingdom (UK). The study used a desk review methodology, thoroughly reviewing pertinent SCI literature. It was demonstrated through the development of a conceptual model that SCI predicts the firm's performance. A favorable interaction suggests that any attempt to raise SCI would undoubtedly boost the company's performance. The study's advice was that companies adopt SCI practices in order to see a noticeable boost in performance. It should be noted that the new study is necessary because the previous one was conducted in the UK rather than Kenya.

Hooshangi, Sadaghiani, Astaneh, and Afshar (2017) examined the mediating role of SCI in the relationship between employee commitment and an organization's performance in Iran. Supply chain integration fell under the operational purview of internal, supplier, and customer integration. Procurement managers were the study's target audience, and it concentrated on manufacturing companies in the province of Qazvin. Research has shown that supply chain integration designs are positively impacted by employee commitment.

The main goal of Oghazi, Rad, Zaefarian, Beheshti, & Mortazavi (2019) is to identify potential barriers to SRM integration and to offer proposals for solutions to get beyond them. Accordingly,

the integration of the SRM process can occur through the integration of its various sub-processes into operational and strategic features, as indicated by the literature review and the analysis of the empirical results that followed. Operational sub-processes deal with the executive stage of the process, while strategic sub-processes define and shape the entire process. In this case, the primary possible obstacles to the SRM integration are the manufacturer and its supplier's lack of goal congruence, commitment, and trust.

Anni-Kaisa, Katrina and Jukka (2019) empirically examined the relationships between buyer dependence and value-creating activities in Finnish businesses, as well as the kinds of supplier relationship management initiatives that could either strengthen or weaken that dependence. The study's findings show that, in contrast to a supplier orientation, the value-creating practices of inter-firm learning and early supplier involvement in buyer-supplier relationships increase the buyer's reliance on its suppliers. It might be inferred from this study that the businesses should balance the benefits (value creation) and drawbacks (dependency), then design their relationship and management methods accordingly.

Gill, Howell and McGeer (2020) contend that many buyer-supplier interactions may be categorized along a continuum from transaction (no to low engagement) to collaborative (medium involvement) to alliance (high involvement) depending on the amount of involvement between buyers and suppliers. Abdallah (2015) used the World Food Program (WFP) in Somalia as a case study to evaluate the relationship between supplier management and the impact it has on a company's performance. Determining the presence of supplier relationship management was the sole goal of the investigation. The survey design that was chosen involved top managers in the procurement department as the respondents. The survey sampled 87 respondents in total. One noteworthy outcome was the sharing of information between the company and its suppliers. The study found that WFP staff members receive ongoing training. It was determined that supplier relationship management significantly affects an entity's performance.

Matunga, Ngugi and Odhiambo (2021) argued that contract management is statistically related to service delivery. They discovered a strong correlation between the degree of public procurement regulatory framework adoption in Kenya's devolved administrations and supplier relationship

management. Similar to this, Iteba (2017) used supplier and customer relationship management as the moderating roles in order to look into the relationship between the independent variable (firm performance) and the dependent variables (electronic data interchange, supplier training, and supplier training). Khaing (2019) also looked into the buyer-supplier dynamic and procurement practices of Yangon-based companies that manufacture electrical panels. The researcher (i.e. Khaing, 2019) used trust as the mediating variable to determine the relationship between the dependent (buyer-supplier partnership, communication, and commitment to supplier) and the independent variable (service delivery). The links between SRM, operational flexibility, ownership structure, and company performance/service delivery are examined by Amoako-Gyampah et al. (2019) in a moderated-mediation analysis. The research was carried out in Ghana. Out of the 250 questionnaires that the researchers sent out to the respondents, 185 of them were returned. The questionnaires were given to businesses, a student in the department of supply chain and operations management, and students at a national university in Ghana who were enrolled in an executive MBA program. They illustrate how the performance correlation between supplier relationship management firms is mediated by operational flexibility capacity. Furthermore, their moderated mediated analyses demonstrate that locally-owned (domestic) enterprises are more vulnerable to the impact of SRM on firm performance than are foreign-owned firms, suggesting that domestic firms are better positioned to benefit from SRM investments than are foreign-owned firms. They suggested that since these additives can act as intervening variables, future business study should focus on other operational capability measurements like quality, innovation, and delivery.

Kosgei (2019) assesses how supplier relationship management affects the provision of services. The study was carried out in Kenya. The researchers employed a cross-sectional study design. A sample of 82 respondents was selected from the target population of 272 KQ employees in order to address relevant study subjects. Since KQ personnel were believed to be heterogeneous across departments, a stratified random sampling procedure was employed to construct the sample. In order to gather primary data for the study, respondents were requested to fill out questionnaires. The study also discovered that an organization's performance can be greatly enhanced by applying SRM techniques correctly. According to Kosgei (2016), organizations can demonstrate a greater

commitment to SRM by establishing systems for monitoring, analyzing, and assessing performance at the strategic level.

Benah and Li (2020) look into how Lean Supplier Relationship Management (LSRM) practices and the performance of manufacturing companies in Ghana relate to each other. To get data for their inquiry, they used a closed-ended questionnaire. Two hundred surveys were sent back for more examination. IBM SPSS 25 and IBMAMOS 24 were used to analyze the survey results... Using Structural Equation Modeling (SEM), the connection between the latent and explicit constructs was examined. The structural findings show that the performance of Ghanaian manufacturing enterprises was positively and significantly impacted by Supply Partnership (SP), Just-In-Time Delivery (JD), and Supplier Flexibility (SF). The goal of the research is to add to the body of information about how supply chain management and lean supplier relationship management affect Ghanaian manufacturing companies' operational performance. The researchers feel that further research should be conducted in other industries, including as transportation, warehousing, and human resources, to determine the impact of these industries on firm performance, as this study was limited to LSRM techniques.

Avery, Swafford, and Prater (2019) used a comparative analysis between the US and China to look at how supplier relationship management techniques affected the performance of purchasing firms. Both China and the United States participated in the study. There were 352 responders in total. The investigation was conducted using primary and secondary data. The results of the study show that whereas buyer commitment and shared values positively influenced buying service delivery in the United States, buyer commitment positively influenced buying firm performance in China. These results suggest that certain domains of social capital are significant in China; nonetheless, cultural disparities exist between the two nations.

Prajogo, Chowdhury, Yeung, and Cheng (2019) examined the complex connections between service delivery and supplier management methods. The research made use of primary data. For the study, information was gathered from 232 Australian manufacturing companies. The researchers used the Structural Equation Modeling (SEM) method to evaluate ten hypotheses at once. The results show that different supplier management strategies have an impact on several



operational performance metrics. Positive correlation exists between supplier appraisal and service delivery.

Adesanya, Yang, Iqdara, and Yang (2020) explored how supplier relationship management (SRM) may help tobacco manufacturing businesses increase sustainability. A single case study of a global tobacco firm was employed in the study. Semi-structured interviews were conducted with respondents from the company who are aware of sustainable SRM in the tobacco business and who are using a range of tactics to enhance sustainability performance. The article's findings demonstrate how crucial it is for a procurement team to collaborate with various functional areas in order to integrate green supply chain management. The results add to the growing body of knowledge regarding the relationship between sustainability and supplier segmentation and multi-tier supplier management. The study's conclusions, which are based on a single case study, may not be generalizable, and more research is required.

Mwangi (2017) examines at how supplier relationship management affects Kenyan sugar companies' ability to provide services. Descriptive research design was used by the investigator. The study's target audience comprised all of the workers in the supply chain departments of the 13 sugar firms that are currently in operation in Kenya. Questionnaires were used as the primary data collection tool for the analysis of the data. SPSS was used to conduct the study, and frequency tables, graphs, and charts were used to illustrate the results. It was discovered that relationships built on trust, knowledge exchange, and supplier cooperation in NPD have a good effect on service effectiveness in Kenya's sugar industry. The study suggested that sugar companies create a mechanism for the exchange of information between buyers and suppliers and promote supplier participation in product development.

Tseng (2020) looked into how KMC influences the relationship between companies and suppliers and enhances corporate performance in services. The research method used in this study was the survey design. The researchers collected their data by using primary sources. Only 500 businesses were included in the samples; these were selected from China Credit Information Service's (2011) list of the largest Taiwanese corporations. The results indicate that KMC has a positive effect on corporate performance, even though SRM serves as a partially mediating variable between KMC and corporate success. This method provides useful suggestions that help companies.

Kepher, Shalle, and Oduma (2018) investigated how supplier management affects service delivery in Kenya's manufacturing industry. The study concentrated on staff members from different divisions within the business and used East African Breweries Ltd. as a case study. It made use of a descriptive research design, which was appropriate given that the study's focus was on obtaining information to address pertinent queries regarding the present condition of the subjects. 450 workers from a variety of departments who were directly involved in overseeing the company's production process made up the target population. The results of the study showed that procurement performance and the predictor variables had a favorable association. The outcomes also demonstrated that lead time management, organizational policy, and co-integration have the greatest effects on service delivery. The report recommends more research be done on the same subject in other economic sectors, such the automobile industry, in order to determine how supplier relationship management affects the performance of businesses.

The impact of supplier relationship management on business service delivery is examined by Geoffrey et al. (2019). In order to determine the degree to which the independent factors influenced company performance in Kenyan state companies, their study used a descriptive survey design. The study made use of both quantitative and qualitative data. Eighty people made up the study's sample. Excel 2016 and SPSS version 23 were used to analyze the data and provide quantitative study metrics. The analysis of the data shows that the procurement performance of Kenyan state businesses was positively statistically correlated with supplier evaluation, partnership trust, and supplier development. The report suggests stricter guidelines to guarantee vendors fulfill their contractual duties.

### **2.3 Contract Management and Service Delivery**

There is evidence in the literature regarding the connection between contract management and operational efficiency in the road building industry. Effective contract management techniques, for instance, have a favorable impact on the operational performance of public road building projects, according to research by Kim and Moon (2020), which looked at the relationship between contract management and performance of the projects. The study went on to identify crucial contract management elements as significant project performance drivers, including contractor

selection, contract administration, and conflict resolution. In order to investigate the moderating influence of external factors, Saeed, Arain, and Lu (2020) conducted a second study in which they examined the link between contract management and operational performance in public road construction projects. The findings show that contract management procedures have a big impact on how well projects work. They also emphasized how external factors, such project complexity and government assistance, have a moderating effect on the connection between contract management and performance.

In a related study, contract management and service delivery in significant road building projects were investigated by Rahman & Moon (2020). The findings show that project performance is positively impacted by efficient contract administration, which takes into account elements like contract clarity, performance measurement, and payment procedures. Therefore, it makes sense for those in charge of implementing projects to stress how crucial effective contract management is to the final product. Even more, (Nawi, Rahman, & Abdullah, 2021) concentrated on the performance and contract management procedures in Malaysian road construction projects. According to the study, contract management techniques have a big impact on how well projects work, especially when it comes to cost, time, and quality. Thus, it was determined that good project outcomes depended heavily on competent contract management, which includes elements like contract administration and coordination.

A 2019 study by Muhammad, Saoula, Issa, and Ahmed looked at the relationship between contract management and performance features of several Indonesian industries. The findings showed that the performance of businesses in a number of industries was substantially improved by intelligent contract management, which is achieved through efficient contract administration, monitoring, and relationship management amongst key stakeholders. Thus, controlling contracts well is essential to maximizing organizational operational efficiency, which in turn influences performance. Komakech (2020) conducted a follow-up study that focused on the Serere District in Eastern Uganda and investigated how relationship management of contracts affected the level of service delivery among local governments. It proved that relationship management was essential to providing services effectively because it allowed parties to a contract to exchange information

more easily and facilitated the timely delivery of supplies, which forced all parties involved to move quickly to ensure that services are provided to the people who need them.

Another study by Byaruhanga and Basheka (2017) looked at the perceived impact of contract monitoring on the performance of the national roads sector and concentrated on UNRA's operations. It came to the conclusion that contract monitoring is a crucial component of contract management because it helps the parties stay on top of the covenants in the contract and, in doing so, offers a platform for resolving any issues or bottlenecks that might jeopardize excellent performance. Furthermore, (Kongosong, 2017) synthesized the elements that would contribute to construction project delays and examined the rules that would lessen the effects of the government's construction contract management. Survey questionnaires were used to gather data for the study, which used a quantitative survey design on a sample of 34 building projects. The results of the linear regression models created by using STATA to process the data showed that contract management depends on well-informed activity sequencing, contract administration, relationship management, stakeholder engagement, regular communication, and routine monitoring of the contracted activities.

In a related study, Kimundu and Moronge (2019) focused on Kenya while examining the impact of contract relationship management on manufacturing sector performance. The study used a sample of 97 firms and was guided by a cross-sectional study design that combined analytical and descriptive techniques. Data were collected by questionnaires, and data extensions were made possible by an interview guide. For quantitative primary data, SPSS software was used for data entry and processing. Inferential statistics were used for analysis. However, for the management of qualitative data, theme techniques and content analysis models were used. The results showed a significant and favorable correlation between relationship management and project performance, particularly when it involved cost savings, scheduling timing, and regular updates on process modifications.

However, as Reader (2019) points out, mobilization, from the contractor's perspective, entails collaboration between the client and contractor that includes bringing on board additional line management and specialized staff members of the client who might not have been involved in the previous procurement process activities up until contract award. The successful mobilization,

implementation, and management of the transitioning process are critical to the contract's long-term performance. As stated by Reader (2019), the commitment and prompt participation of experts in contract mobilization activities that involve both the contractor and the client's representative contribute to the project's seamless operation, consistency, and sense of collaboration between the parties. It is noted that planning, communication, securing prior approvals, agreeing to flexible timelines, establishing stakeholder expectations and key performance indicators, as well as multidisciplinary and collaborative approaches, are essential elements of successful contract mobilization, according to Reader and other authorities.

Armstrong and Landers (2018) state that having competent employees will help a company manage and grow its contract evaluation processes in an efficient and productive way. In the context of this study, competent individuals are those who meet the standards set by the Busia District Local Government Contracts Committee or other comparable bodies with regard to the domains in which they carry out assessments or provide services meant to enhance road construction services.

Qualified personnel use, according to Fukeya, Issaca, Balasubramanian, and VA (2018), is a step taken to enhance the organization's quality of products and services in a highly competitive market by enhancing employees' technical skills to provide efficient service. According to a research by Vian (2016), corruption and underqualified labor are major threats to Uganda's road building industry, which makes contract evaluations crucial and raises concerns about cutting costs and raising standards. The author discovered that the use of underqualified workers resulted in the waste of billions of public dollars due to subpar contract management, which makes it more difficult to get value for money. The study also demonstrates that a 17–40% contract value leakage was the result of poor contract management. The potential damages resulting from this disarray might be significant.

According to Aziz and Abdel-Hakam (2016), employing skilled employees enables prompt and correct decision-making throughout the contract management process, which improves service delivery and saves resources for the company. The District Contracts Committee (CC) can allocate the appropriate people to work on the duties required to finish the contract review process thanks to the utilization of qualified individuals. Using experienced staff is crucial because it will provide

the contracting committee with a knowledgeable team to assist in making wise and effective decisions that will prevent the district from facing future legal and financial difficulties should they develop (Aziz & Abdel-Hakam, 2016).

Contract management, as defined by Selviaridis and Wynstra (2015), is the process of evaluating a contractor's programmatic and technical advancements, methods, and service delivery deliverables. The concepts that form the basis of The usage of qualified staff and the assessment of goals and objectives are two aspects of the contract review. By establishing important road construction metrics including on-time delivery, stakeholder satisfaction, efficiency, and effectiveness, as well as by managing the provision of construction services, these concepts are further operationalized.

## **2.4 Research Gap**

The literature on procurement practices and service delivery reveals several important gaps. First, many existing studies have been conducted in private entities, which face different challenges and dynamics compared to public entities. This presents a contextual gap, as the public sector, particularly in Bosaso District, has its own unique challenges and opportunities in procurement and service delivery that are not addressed in previous research. Additionally, most of the reviewed studies were conducted outside Somalia, creating a geographical gap in understanding procurement practices within the Somali context. There is a need for localized studies that take into account the specific cultural, economic, and political realities of Somalia, particularly in Bosaso District. Lastly, many previous studies relied solely on quantitative methods, specifically closed questionnaires, which limits the depth of understanding. In contrast, this study addresses a methodological gap by employing a mixed-methods approach that integrates both questionnaires and interviews. This approach allows for a more comprehensive understanding of procurement practices by capturing qualitative insights from key stakeholders, filling the gaps left by earlier research.

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.0 Introduction**

This chapter presents the methodology that was used to conduct the current study. Presented herein is the research design, the study location and the population of target in the study. Also presented in this chapter are the sampling methods that were applied and the sample that included in the study. Furthermore, the chapter presents the procedure for data collection, instruments that were used to collect data and the methods that were used to analyze the data. The ethical considerations will be applicable in this study are also presented at the end of the chapter.

#### **3.1 Research Design**

Kothari (2003) defines a research design as a practical strategy that is adopted by the researcher to answer research questions objectively, accurately and economically. The cross sectional survey design will be adopted using a mixed methods approach. The study will be anchored on a cross sectional design. Creswell (2013). Cross sectional design is significant in the hypothetical constructs that can be investigated through the means; the design is connected to only the features of the individuals for the features of the whole sample thereof including the tests for association between the variables of the study.

The research will integrate both quantitative and qualitative methods. The quantitative approach will involve collecting data through structured questionnaires, which will be subjected to statistical analysis. Simple linear regression analysis techniques will be employed to analyze the effect of procurement practices on service delivery.

The qualitative approach will involve conducting interviews to gather in-depth insights. Data collected through interviews will be presented and analyzed qualitatively, providing a comprehensive understanding of the study context.

#### **3.2 Study Population**

Dawson (2019) defines population as the large collection of all subjects from where a sample is drawn. The study population in this research was employees of Bosaso government from health, education, finance, community and local leaders who include political and cultural leaders. These are chosen since they represent the population in provision of the information needed on

procurement practices and service delivery. The study target a population of 385 people in the categories mentioned in the study.

### 3.3 Sample Size

Kothari (2004) defines a sample as a small group of the universe taken as the representative of a whole. The researcher work was based sample of the population that will be selected as a representative of the population. The researcher selected Yamane’s formula (Yamane, 1973) for calculating the sample size. According to the researcher 95% will be level of confidence and  $p = 0.05$ , the size of the sample should be selected by the following formula:

$$n = \frac{N}{1 + N(e)^2}$$

Where;  $n$  = Sample size,  $N$  = Finite population,  $1$  = Constant and  $e$  = Level of significance taken to be 0.05.

385

$1+385 (0.05)^2$

385

1.962

A sample of the study is 196 respondents

**Table 3.1: showing the structure of the population, sample size and sampling techniques**

Category	Population	Sample size	Sampling technique
Employees of Bosaso			Stratified and sampling random
Procurement	08	8	Census
Finance & Accounting	45	23	Stratified and sampling random
Health	54	27	Stratified and sampling random
Education	33	15	Stratified and sampling random
Community	40	20	Stratified and sampling random
Cultural& Political Leaders	138	70	Stratified and sampling random
Religious Leaders	69	33	Stratified and sampling random
<b>Total</b>	<b>385</b>	<b>196</b>	

**Source:** Bosaso Population Report, (2022)



### **3.4 Sampling Techniques**

Sampling technique is a description of the strategies which the research uses to select representatives' elements, subjects, respondents from target population (Oso and Onen, 2008). The study employed simple random sampling as suggested by Creswell (2009) in selection of the sample population which is often meaning chance or a haphazard method of assignment and it is applied to eliminate bias, both conscious and unconscious, that the researcher could introduce in sample selection. This method also offers every member of the population an equal chance of being selected for the assignment and it is required for inferential statistics since the researcher desires to make inferences about populations based on the behavior of samples. This technique found to have appropriate because it eliminates the sampling bias which would have otherwise compromised the accuracy of the study findings.

### **3.5 Data Collection Instrument**

The study employed a questionnaire and an Interview Guide to gather data for the study.

#### **3.5.1 Questionnaire**

Primary data was collected using semi-structured questionnaires through the drop and pick method in an effort to conserve time and money as well as to facilitate easier analysis as they are in immediate usable form (Akisik& Gal, 2017). Self-administered questionnaires were used to capture needed data from the population. the Questionnaire items were rated on a five-point Likert scale ranging from '1' for strongly disagree, '2' for disagree, '3' for not sure, '4' for agree and '5' for strongly agree. The questionnaire seeks to attain easily quantifiable data necessary for the study and the ability of the questionnaires to attain sufficient information for the study. The questionnaire was dimensioned on three sections section, section A on socio-demographic data, section B is on Procurement Practices and section C is on service delivery. The scale allowed respondents to rate their opinion with each statement using the scale provided. The questionnaire was used in the attainment of information from all respondents of the study.

#### **3.5.2 Interview Guide**

The researcher used interview guide in data collection. The questions for the interview were open-ended. The open-ended questions were given chance to more discussions on particular responses while opening up to further probing. Interview guide helped to collect additional views from procurement staff since their work routine may not enable filling of a questionnaire while their

number is also small. Interviews were conducted with the procurement staff of Bosaso district, the respondents were interviewed from places deemed convenient and appropriate appointments were made prior. The instrument were named and labeled Appendix B. The interviews will take between 20-30 minutes

### **3.6 Data Quality Control**

By doing this, the validity and reliability of the data to be gathered are ensured. As a result, the researcher conducted reliability and validity tests.

#### **3.6.1 Validity of Instrument**

The researcher developed the research questions in accordance with the objectives of the study before presenting the questions in the questionnaire to assess the validity of the research instrument. To ensure validity, the questionnaire consulted the researcher supervisors to evaluate the relevance of each question. To establish validity, the researcher conducted a Content Validity Index (CVI) test to check for validity of the questionnaire contents. The CVI was computed using the formula given below:

$$CVI = \frac{\text{Items rated relevant/Very relevant by rater/ Consultant}}{\text{Total number of items in the instrument}}$$

The questionnaires were provided to an academic staff of university who validated the questionnaires and the responses were based on

$$CVI = \frac{\text{no of the items declared valid}}{\text{total no. of items}}$$

Since the content validity index above 0.7, the instruments are considered valid (Mugenda&Mugenda, 2015).

**Table 3.2: Showing validity of the respondents**

<b>Experts</b>	<b>Valid Questions</b>	<b>Non Valid</b>	<b>Total</b>
1	21	5	26
2	22	4	26
3	22	4	26
<b>Total</b>	<b>65</b>	<b>13</b>	<b>78</b>

$$CVI = \frac{65}{78}$$

The experts considered the study instruments valid based on the CVI that was computed above 0.833. Given that the CVI is more than 0.7, the research instrument considered valid.

### **3.6.2 Reliability of Instrument**

According to Reynaldo (1999), a research instrument will be reliable within the range of 0.7- 1.0. The Cronbach's Alpha Reliability Coefficient for Likert-Type Scales test was performed to ensure reliability of quantitative data. The Cronbach's Alpha Reliability Coefficient for Likert-Type Scales was done. Reliability is the degree of consistency that the instrument or procedure demonstrates (Best and Kahn, 2006). This is also another critical instrument that the researcher used as a measure of the degree to which a research instrument yields consistent results or data after repeated trials (Mugenda&Mugenda, 2015). A pilot study was done on 10 employees of water bottling company who did not take part in the final study. Data collected from this pilot study was entered in the SPSS version 22 and a Cronbach's Coefficient Alpha was computed to test for reliability of the instrument. The instruments were reliable and deemed fit for data collection since the reliability coefficient results were above the recommended 0.7 (Mugenda&Mugenda, 2015).

**Table 3.3: Showing reliability of the research instrument**

<b>Items</b>	<b>No of Items</b>	<b>Cronbach Value</b>
Procurement planning	6	.710
Relationship management	6	.732
Contract management Practice	6	.755
Service Delivery	8	.801
<b>Total</b>	<b>26</b>	<b>0.732</b>

Results with the alpha coefficient from the findings indicate that the instrument has an internal consistency and is therefore reliable since the cronbach's value is high, 0.781.

### 3.7 Data Analysis

The quantitative data was analyzed descriptively using inferential statistics which was done by using Statistical Package for Social Sciences (SPSS). Quantitative data was analyzed using descriptive statistics such as frequencies, percentages and presented in tables. Descriptive statistics in form of mean and standard deviation was employed to describe the state of procurement practices and service delivery.

#### Interpretation Scale

Mean range	Respondent	Interpretation
4.22- 5.00	Strongly agree	Very Good
3.42 - 4.22	Agree	Good
2.62 – 3.41	Not Sure	Fairly good
1.81 - 2.61	Disagree	Poor
1.00 - 1.80	Strongly disagree	Very Poor

Simple linear regression analysis was used to determine the relationship between the variables. A regression model to test the overall effect of procurement management practices on service delivery, the effect was assessed to prove the effect between independent and dependent variable at 0.05 level of significance.

### 3.8 Ethical Considerations

By ensuring the privacy of both the respondents' information and their responses, the researcher protected their right to remain nameless. This was accomplished by providing confidence that their identity was kept private and that the data was only used for academic purposes. This was emphasized in the questionnaire's introduction.

Citations and references have been used to acknowledge all of the literature's sources. Finally, objectivity will be taken into account when producing recommendations in order to prevent personal bias.

The researcher asked permission from the university to gather data in the intended location. The respondents were reassured by the researcher that all of their answers would be handled with the

utmost confidentiality.

Authorities gave the researcher their informed permission to interview both the providers and their residents. The researcher introduced himself, went over the objectives of the study, the reasons behind the selection of the specific respondents, the advantages, drawbacks, and risks of the study, and invited questions on the research.

### **3.9 Limitations of the Study**

A significant limitation of the study is the language barrier. The questionnaires were structured in English, which may have posed comprehension issues for some respondents. To mitigate this barrier, research assistants were used to translate the information for the respondents, and questionnaires were designed in both English and local languages to ensure that participants fully understood the questions.

Another limitation is the negative perception of respondents in refugee areas. Respondents often have a distrustful view of researchers, thinking negatively about their intentions. To address this concern, the study emphasized to respondents that the research was purely for academic purposes and encouraged them to participate willingly, ensuring confidentiality and the ethical use of their responses.

Additionally, the study faced the challenge of limited time due to the busy schedules of respondents. To overcome this, the researcher ensured that sufficient time was allocated to collect data and that respondents could participate at times convenient for them, thereby obtaining maximum concentration and accurate responses.

## CHAPTER FOUR

### DATA PRESENTATION, ANALYSIS AND INTERPRETATION OF FINDINGS

#### 4.0: Introduction

The purpose of the study was to determine the effect of procurement Practices on service delivery in Bosaso district Puntland Somalia. The study objectives are to examine the effect of procurement planning on service delivery in Bosaso district Puntland Somalia, secondly to assess the effect of supplier relationship management on service delivery and finally to determine the effect of contract management Practice on service delivery in Bosaso district Puntland Somalia. This chapter is structured according to the respondents' demographic characteristics; the analysis is based on data gathered from the field and presented in the designated subsections below.

#### 4.1: Response Rate

The study targeted a sample population of 196 respondents who included 188 questionnaire and 8 interview responses. The researcher attained information from 183 quantitative and 8 qualitative respondents. The research achieved a response of 97.8% from questionnaire responses and 100% from the qualitative ones. As a result, there is strong confidence that the study's responses are reliable given this response rate. When collecting quantitative data manually, Mugenda (1999) and Saunders (2007) suggest that a response rate of 50% is sufficient. The tabulations that follow indicate the response rate results.

#### 4.1: Response Rate

Respondents Category	Sample Size	Returned	Percentage
Questionnaire	188	183	97.3
Interview Guide	8	8	100%

**Source: Field Data, 2024**

Table 4.1 above is shown in the response rate of the responses to which the research instruments were administered. The results show a high and consistent response rate for the information gathered in the field.

## 4.2 Demographic Characteristics of Respondent

The study was based on respondents' gender, age, education, and other key characteristics. This approach aimed to attain a detailed understanding of how these characteristics influence the study's results. The general information has an implication on the study variables. The different demographic characteristics are analyzed and presented as below.

### 4.2.1 Gender of Respondents

Here, the researcher's goal was in gathering information on the gender of respondents and information, and data collected was presented in the table below.

**Table 4.2: Gender of Respondents**

<b>Gender</b>	<b>Frequency</b>	<b>Percent</b>
Male	137	74.9
Female	46	25.1
<b>Total</b>	<b>183</b>	<b>100.0</b>

**Source: Field Data, 2024**

The study findings in Table 4.2 reveal that the majority respondents were male who were 137 (74.9%) of the study while the female respondents were 46(25.1%) of the study. This implied that majority target population was more male than female respondents and it was also due to the fact that male respondents were possibly majorly involved in the targeted population of the study, the results never the less indicate that information was collected from across the gender. The results indicate the gender equity was considered in the study since information was attained from all the genders in the study.

### 4.2.2 Age of Respondents

Here the researcher was interested in gathering information on the age of respondents and information got was presented in the table below.

**Table 4.3: Age of Respondents**

<b>Age</b>	<b>Frequency</b>	<b>Percent</b>
18-29 Years	24	13.1
30-39 years	58	31.7
40-49years	65	35.5

50 years above	36	19.7
<b>Total</b>	<b>183</b>	<b>100.0</b>

**Source: Field Data, 2024**

The study findings in Table 4.3 show that majority respondents for the study were in the age of 40-49 years who were 65(35.5%) of the respondents, those of 30-39 years followed with 58(31.7%) of the respondents, then those of above 50 years were 36(19.1%) of the study and finally those of 20-29 years were 24(13.1%) of the study. The findings implied that results were attained from mature adults who provided information in this regard; the respondents targeted were preferably because they are more productive hence provided information with significant memory and understanding for the study.

#### **4.2.3 Education of Respondents**

Here, the researcher was interested to discover more about the respondents' educational backgrounds. The data researcher collected is shown in the table below.

**Table 4.4: Education of Respondents**

<b>Education</b>	<b>Frequency</b>	<b>Percent</b>
Certificate	8	4.4
Diploma	22	12.0
Degree	117	63.9
Post Graduate	36	19.7
<b>Total</b>	<b>183</b>	<b>100.0</b>

**Source: Field Data, 2024**

The results presented in Table 4.4 show that the majority of respondents held a bachelor's degree, accounting for 117 individuals (63.9%). Postgraduate degree holders made up 36 respondents (19.7%), diploma holders comprised 22 respondents (12%), and certificate holders represented 8 respondents (4.4%). These findings suggest that most respondents had a considerable level of education, indicating that the target group possessed at least a minimum level of education. This level of education suggests that the respondents were well-equipped to comprehend and respond accurately to the questionnaires used in the data collection process for the study.



#### 4.2.4 Time of stay in Bosaso district for the respondents

Here the researcher was interested in gathering information on the time the respondents had been in Bosaso district Puntland, Somalia and information got was presented in the table below.

**Table 4.5: Time of stay of Respondents**

<b>Responses</b>	<b>Frequency</b>	<b>Percent</b>
1-4 years	9	4.9
4-8 Years	11	6.0
9-13 years	11	6.0
Above 14 years	152	83.1
<b>Total</b>	<b>183</b>	<b>100.0</b>

**Source: Field Data, 2024**

The results presented in Table 4.5 reveal that the majority of respondents in the study, 152 individuals (83.1%), have resided in Bosaso district for over 14 years. This is followed by respondents who have lived in the district for 9-13 years, accounting for 11 participants (6%), as well as another 11 respondents (6%) who have been in Bosaso for 4-8 years. Finally, 9 respondents (4.9%) have lived in the district for 1-4 years. These findings suggest that the information gathered on procurement practices and service delivery is predominantly based on the perspectives of long-term residents of Bosaso district, indicating a strong level of understanding and familiarity with the subject matter among the respondents.

#### **Interpretation Scale**

- 1.0 – 1.80 Very Poor
- 1.81- 2.60 Poor
- 2.61 – 3.4 Fairly Good
- 3.41 - 4.2 Good
- 4.21 - 5.0 Very Good

#### **4.3 Effect of procurement planning on service delivery in Bosaso district Puntland, Somalia.**

The first objective of the study was to examine the effect of procurement planning on service delivery in Bosaso district, Puntland, Somalia. To achieve this objective, the researcher initially

conducted a descriptive analysis of the study variables, followed by a simple linear regression analysis to assess the relationship between the variables.

#### 4.3.1: Descriptive Statistics on Procurement Planning on Service Delivery in Bosaso District Puntland Somalia.

**Table 4.6: Descriptive Statistics on Procurement Planning on Service Delivery in Bosaso District Puntland Somalia.**

<b>Descriptive Statistics on Procurement Planning</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>Interpretation</b>
The procurement budgets are prepared in a timely manner	3.224	1.558	Fairly good
The procurement budget users are part of the budgets	3.158	1.530	Fairly good
There are planned procurement costs in purchasing	3.131	1.364	Fairly good
The procurement costs are undertaken in a timely manner	3.338	1.412	Fairly good
There are specifications planned in a timely manner	3.650	1.304	Good
Experts undertake effective procurement planning in the organizations	2.825	1.674	Fairly good
<b>Overall Mean</b>	<b>3.221</b>	<b>1.473</b>	Fairly good

**Source: Field Data, 2024**

Table 4.6 indicate the descriptive Statistics on procurement planning in Bosaso District Puntland Somalia, the results indicate that the mean was (M=3.221) standard deviation SD= 1.473 interpreted as fairly good. Results show that the procurement planning in Bosaso has been generally done on average with the respondents agreeing to the same based on the mean responses which were above the average values.

The study on procurement planning indicated that the procurement budgets were prepared in a fairly timely manner, with the mean response being M= 3.224, the standard deviation SD= 1.558.

The item of whether the procurement budget users are part of the budgets, the mean  $M= 3.158$ , standard deviation  $SD= 1.530$ , the results were all interpreted as fairly good. In this study, the findings indicate that budget planning involves users and is fairly done in time.

The study further indicate that there are planned procurement costs in purchasing with the 3.313 mean, while the standard deviation  $SD= 1.364$  interpreted as fairly good, based on the study the researcher shoe planned costs. Furthermore the procurement costs are undertaken in a timely manner with the mean of  $M= 3.338$ , the standard deviation with 1.412 interpreted as fairly good. The costs in procurement are handled in a fairly timely manner.

The study found that there are specifications planned in a timely manner, this was with mean of  $M= 3.650$ , the standard deviation was 1.304 interpreted as well. Furthermore on whether Experts undertake effective procurement planning in the organizations, it was found that the mean was 2.8250, the standard deviation was 1.674 interpreted as fairly good. The study findings show that the experts are involved in procurement planning and specifications done but not in a timely manner.

The questionnaire findings are in consonance with the interview findings presented in the elaborations here under. The findings indicate that procurement planning is undertaken in the organizations based on the systems of procurement in place.

*Procurement planning in this district is guided by the Puntland procurement legal framework which calls for user involvement in the procurement planning systems embraced in the company. The procurement legal system is therefore embracing the performance functional base of the legal system*

*Procurement planning system is embedded in the procurement system management for the district; the planning is undertaken by experts who are sometimes hired to undertake effective planning of the purchasing systems*

*There exist strict verification checks before the procurement plans are approved in Bosaso district, the checks are verifications and usually in compliance with the legal mandate and system for procurement planning.*

*Specifications in procurements are dually developed and embraced amongst the people involved in the purchasing system and these ensure appropriate specification development before the procurement activities are dually applied and conducted.*

In this study, it was found that procurement planning in Bosaso district is done based on laid down systems; few experts exist but provide information for the study.

### 4.3.2 Correlation Matrix

**Table 4.7: Correlation Matrix**

		Procurement Planning	Supplier relationship management	Contract management	Service delivery
Procurement Planning	Pearson Correlation	1	.718**	.579**	.538**
	Sig. (2-tailed)		.000	.000	.000
	N	183	183	183	183
Supplier relationship management	Pearson Correlation	.718**	1	.638**	.386**
	Sig. (2-tailed)	.000		.000	.000
	N	183	183	183	183
Contract management	Pearson Correlation	.579**	.638**	1	.606**
	Sig. (2-tailed)	.000	.000		.000
	N	183	183	183	183
Service delivery	Pearson Correlation	.538**	.386**	.606**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	183	183	183	183

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

**Source: Field Data, 2024**

Results in Table above indicate the Pearson analysis between procurement planning, supplier relationship management, contract management and service delivery, because of the level of significance and r values are ( $r = .538, .386, r = .606, 000 < .05$ ), because the p-value is less than 0.05 significant value, the researcher indicate that there is a statistically significant moderate relationship procurement management and service delivery.

### 4.3.3 Service delivery in Bosaso district Puntland Somalia

The dependent variable of the study was service delivery in Bosaso district. In order to determine the state of service delivery, the mean and standard deviation the level of service delivery. Each

question was based on a five-point Likert scale, where respondents were asked to rate inventory management by indicating the extent to which they agreed or disagreed with each statement. The responses were then analyzed using SPSS. the assessment are based on 1 which represented strongly disagree, 2 represented Agree, 3 represent Not sure, 4 represented Agree and 5 represented Strongly Agree. The findings are indicated in Table 4.8 indicated here under.

**Table 4.8: Descriptive statistics on Service delivery in Bosaso district Puntland Somalia**

<b>Descriptive statistics on Service delivery</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>Interpretation</b>
Services quality of these district services are appropriate	2.071	1.696	Poor
There are parameters in services provided to the employees	3.409	1.555	Fairly good
There is economy for services mix is undertaken in the district	2.512	1.417	Poor
Service timeliness is undertaken among the district staff	3.344	1.332	Fairly good
There are services efficiency rendered in the services to the district	3.240	1.440	Fairly good
Service delivery in this district is compared to the industry needs	3.513	1.561	Fairly good
The provision of the services is comparable to the international standards	3.464	1.413	Good
Services delivery in this district is undertaken in a known criteria	3.049	1.399	Fairly good
<b>Average Mean</b>	<b>3.087</b>	<b>1.476</b>	Fairly good

**Source: Field Data, 2024**

Table 4.8 presents the descriptive statistics on service delivery in Bosaso district, Puntland, Somalia. The analysis revealed a mean (M) of 3.087 and a standard deviation of 1.476, which is interpreted as fairly good. These results suggest that, according to the respondents, the overall state of service delivery in Bosaso is generally fairly good.

It was found that services quality of these district services are appropriate had the mean of 2.7071, the standard deviation was 1.696 interpreted as fairly good meaning that Bosaso district service quality is generally poor. Although there are parameters in services provided to the employees was fairly good with the mean of 3.409, the standard deviation was 1.555 interpreted as fairly good. The findings indicate that the district has known service delivery parameters to the employees.

Another aspect set to determine whether there is economy for services mix is undertaken in the district, the mean was 2.512, the standard deviation was 1.417 interpreted as poor meaning that majority respondents disagree that the service mix is good while majority respondents agree that service timeliness is undertaken among the district staff with the mean of 3.344, the standard deviation was 1.332 interpreted as fairly good meaning that the state of the services timeliness is fairly well.

There are services efficiency rendered in the services to the district, the mean was 3.240, the standard deviation was 1.440 interpreted as fairly good while service delivery in this district is compared to the industry needs had the mean of 3.513, the standard deviation was 1.561 interpreted as fairly good meaning that the study indicate that there is moderate serviced efficiency.

The provision of the services is comparable to the international standards had the mean of 3.464, the standard deviation was 1.143 interpreted as good meaning that the service quality is comparable to the standards of the international nature. Services delivery in this district is undertaken in a known criteria had the mean of 3.049, the standard deviation was 1.399 interpreted as fairly good meaning that the district has a known criteria for the services provided in the study.

*In this district, service delivery especially health, education are still in the hands of the private persons with just few public health and education services arising in the district of Bosaso. Given the existence of the civil war which has hit the country, the stances of the community in realization of the values is still less in the public. It was further revealed that service delivery in Bosaso is quite complex, the district has been generally faced with serious issues affecting the services quality, provision to services to the communities and the persons there.*

*Service delivery in Bosaso district is quite of complicated, people who visit for public services in health and education institutions, the results indicate that the*

*service delivery in the communities in Bosaso is generally inherent with the state of the civil war which has hit the country since 1991*

The service delivery in Bosaso district is generally low existing in the district strictly affecting the performance and functional system of the growth of the district. The service delivery is actually not limited in the scope of the provided information for the respondents as they agree as the services being poor.

#### **4.3.4 Effect of procurement planning on service delivery in Bosaso district Puntland Somalia.**

In order to fulfill the objective, the researcher conducted regression analysis to detect the effect of procurement planning on service delivery. The findings in this case are provided in the stance of the procurement planning and its bearing on service delivery in Bosaso district Puntland Somalia.

**Table 4.9: Regression analysis on Effect of procurement planning on service delivery in Bosaso district Puntland Somalia**

<b>Model Summary</b>						
Model	R	R Square	Adjusted R Square		Std. Error of the Estimate	
1	.538 <sup>a</sup>	.290	.286		.59661	
a. Predictors: (Constant), Procurement Planning						
<b>ANOVA<sup>a</sup></b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	26.293	1	26.293	73.869	.000 <sup>b</sup>
	Residual	64.425	181	.356		
	Total	90.718	182			
a. Dependent Variable: Service delivery						
b. Predictors: (Constant), Procurement Planning						
<b>Coefficients<sup>a</sup></b>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.398	.173		8.086	.000
	Procurement Planning	.514	.060	.538	8.595	.000
a. Dependent Variable: Service delivery						

**Source: Field Data, 2024**

Results in Table 4.9 indicate results on the effect of procurement planning on service delivery in Bosaso district Puntland Somalia, based on the findings; the research found that the r-squared was .290 indicating that the procurement planning has 29% effect on service delivery in Bosaso district Puntland Somalia. Based on the findings, the researcher contends that a unit increase in procurement planning lead to increase in service delivery by .290. The standard error estimate was .59661 indicate the close association of the respondents in terms of the information provided from the field.

A further regression analysis based on ANOVA indicates that there exists a statistically significant effect of procurement planning on service delivery in Bosaso district Puntland Somalia, the F-value was 73.869, the p-value was 0.000 indicate that procurement planning is statistically related/ affect the service delivery of Bosaso given that the p-value in the study is less than 0.05 significant level indicating that procurement planning has a low statistically significant effect on service delivery in Bosaso district, Somalia.

Concerning the coefficients of regression , the study indicated that procurement planning had a statistically significant effect on service delivery in Bosaso district Puntland Somalia.The beta value was .538, the levels of significance as 0.000 and 0.000 since the P-values are below 0.05, the researcher argue that there is a positive and significant effect of procurement planning on service delivery in Bosaso Somalia. The findings show that a unit change in procurement planning leads service delivery by .538. The results indicate that there was a statistically significant effect of procurement planning on service delivery in Bosaso district Puntland Somalia.



#### 4.4 Effect of supplier relationship management on service delivery in Bosaso district Puntland Somalia

The study second objective was specifically to examine the effect of supplier relationship management on service delivery in Bosaso district Puntland Somalia. In order to fulfill this objective, the researcher first conducted a descriptive analysis of the variables for the study and there after simple linear regression analysis was done between the variables.

**Table 4.10: Descriptive statistics on supplier relationship management in Bosaso district Puntland Somalia**

	<b>Mean</b>	<b>Std. Deviation</b>	<b>Interpretation</b>
Supplier identification is undertaken by experts	3.027	1.723	Fairly good
Supplier identification procedures are well documented	3.185	1.603	Fairly good
Supplier assessment is done timely	3.617	1.532	Good
Supplier assessments in the organizations are timely documented	3.169	1.620	Fairly good
Supplier evaluation is done based on a known policy	3.153	1.571	Fairly good
Supplier criteria is well determined in this organization	3.644	1.354	Good
<b>Average Mean</b>	<b>3.299</b>	<b>1.567</b>	<b>Fairly good</b>

**Source: Field Data, 2024**

Table 4.10 indicates that supplier relationship management in Bosaso district Puntland Somalia was generally fairly good. The findings indicate that the mean responses were 3.299, the standard deviation was 1.567 interpreted as fairly good. In the results the researcher contends in arguing that the state of supplier relationship management is fairly good.

Supplier identification is undertaken by experts according to the responses of M=3.027, the standard deviation was 1.723 interpreted as fairly good. Based on the results, the researcher

contends that the supplier identification is fairly done by experts. Furthermore supplier identification procedures are well documented with the mean of 3.185, the standard deviation was 1.603 interpreted as fairly good.

Supplier assessment is done timely with the mean of 3.167, the standard deviation was 1.532 interpreted as good meaning that supplier assessment is fairly determined and managed while the aspect of supplier assessments in the organizations are timely documented with the mean of 3.169, the standard deviation was 1.620 interpreted as fairly good. The responses show that the supplier assessment is fairly determined.

Supplier evaluation is done based on a known policy had the mean of 3.153, the standard deviation was 1.571 interpreted as fairly good. Supplier criteria is well determined in this organization had the mean of 3.644, the standard deviation was 1.354 interpreted as good meaning that the supplier criteria is done in this organization.

The findings through questionnaire are in line with those of the interview findings which depict that the supplier relationship management is done based on the systems of controls established in the cooperation of the buyer and the suppliers.

*The supplier's relationship management in this company is done with the supplier identification in the company; there exist periodic reviews of the suppliers in the company in regard to the state of their performance to determine future cooperation.*

*Supplier relationship management is undertaken by the management of Bosaso district in regard to effective controls, reviews of new customers are done in a timely manner by the procuring department of Bosaso district and these enable the performance of the economic stances of the supplier relationship sector.*

#### **4.4.1 Effect of supplier relationship management on service delivery in Bosaso district Puntland Somalia.**

In order to fulfill the objective, the researcher conducted regression analysis to detect the effect of supplier relationship management on service delivery. The findings in this case are provided in the

stance of supplier relationship management and its bearing on service delivery in Bosaso district Puntland Somalia.

**Table 4.10: Regression analysis on Effect of supplier relationship management on service delivery in Bosaso district Puntland Somalia**

<b>Model Summary</b>						
Model	R	R Square	Adjusted R Square		Std. Error of the Estimate	
1	.386 <sup>a</sup>	.149	.144		.65314	
a. Predictors: (Constant), Supplier relationship management						
<b>ANOVA<sup>a</sup></b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	13.506	1	13.506	31.661	.000 <sup>b</sup>
	Residual	77.212	181	.427		
	Total	90.718	182			
a. Dependent Variable: Service delivery						
b. Predictors: (Constant), Supplier relationship management						
<b>Coefficients<sup>a</sup></b>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.841	.183		10.049	.000
	Supplier relationship management	.341	.061	.386	5.627	.000
a. Dependent Variable: Service delivery						

**Source: Field Data, 2024**

Results in Table 4.10 indicate results on the effect of supplier relationship management on service delivery in Bosaso district Puntland Somalia, based on the findings; the research found that the r-squared was .149 indicating that the supplier relationship management has 14.9% effect on service delivery in Bosaso district Puntland Somalia. Based on the findings, the researcher contends that a unit increase in supplier relationship management lead to increase in service delivery by .149. The standard error estimate was. 31.661 indicate the close association of the respondents in terms of the information provided from the field.

A further regression analysis based on ANOVA indicates that there exists a statistically significant effect of supplier relationship management on service delivery in Bosaso district Puntland Somalia, the F-value was 31.661, the p-value was 0.000 indicate that supplier relationship management is statistically related/ affect the service delivery of Bosaso given that the p-value in the study is less than 0.05 confidence interval indicating that supplier relationship management has a low statistically significant effect on service delivery in Bosaso district, Somalia.

Concerning the coefficients of regression the study indicated that supplier relationship management had a statistically significant effect service delivery in Bosaso district Puntland Somalia. The beta values for supplier relationship management is .386, their respective levels of significance as 0.000 and 0.000 since the P-values are below 0.05, the researcher argue that there is a positive and significant effect of supplier relationship management on service delivery in Bosaso Somalia. The findings show that a unit change in supplier relationship management leads service delivery by .386. The results indicate that there was a statistically significant effect of supplier relationship management on service delivery in Bosaso district Puntland Somalia.

#### **4.5 Effect of Contract management on service delivery in Bosaso district Puntland Somalia**

The study third objective was specifically to examine the effect of contract management on service delivery in Bosaso district Puntland Somalia. In order to fulfill this objective, the researcher first conducted a descriptive analysis of the variables for the study and there after simple linear regression analysis was done between the variables.

**Table 4.11: Descriptive statistics on contract management in Bosaso district Puntland Somalia**

	<b>Mean</b>	<b>Std. Deviation</b>	<b>Interpretation</b>
Delivery of the supplies is done in a timely manner	3.043	1.663	Fairly good
There are appropriate means of delivering customers the services/ products	2.412	1.560	Poor
There are contracts monitored in a timely manner	3.060	1.534	Fairly good
Contract monitoring is undertaken by the exports	3.196	1.682	Fairly good
Delivery management is ably evaluated in the district	3.628	1.597	Good
Deliveries in contract evaluation is undertaken amongst the organizations	3.344	1.759	Fairly good
<b>Average Mean</b>	<b>3.107</b>	<b>1.632</b>	<b>Fairly good</b>

**Source: Field Data, 2024**

Table 4.11 show descriptive statistics on contract management in Bosaso district Puntland Somalia, it was found that the mean  $M=3.107$ , the standard deviation was 1.632 interpreted as fairly good meaning that the contract management is undertaken in the district of Bosaso Puntland, Somalia

Delivery of the supplies is done in a timely manner with the mean of 3.043, the standard deviation was 1.663 interpreted as good while on whether there are appropriate means of delivering customers the services/ products, the mean was 2.412, and the standard deviation was 1.560 interpreted as poor. Based on the results, it's provided that the supplies delivery is done in a timely manner.

There are contracts monitored in a timely manner with the mean of 3.060, the standard deviation of 1.534 interpreted as fairly good. Based on the findings, the researcher contends that the contracts are monitored in a fairly timely manner. Furthermore, contract monitoring is undertaken by the exports with the mean of 3.196, the standard deviation was 1.682 interpreted as good meaning that the contract monitoring is basically fairly done.

Delivery management is ably evaluated in the district with the mean of M=3.628, the standard deviation was 1.597 interpreted as good while the deliveries in contract evaluation is undertaken amongst the organizations had the mean of 3.344, the standard deviation was 1.759 interpreted as fairly good implying that the state of delivery management in the companies is fairly developed and provided.

The findings are in agreement with those of the interview

*Yes accountability in the contract management is ensured in purchasing, the ministry follows the entire procurement process from bidding to awards of the contracts. The process documentations is clearly done and different stakeholders such as contracts committee, user departments and accounting officers oversee the process for accountability purposes.*

*It was found that accountability in the contract management is ensured through having timely procurement audits in the ministry. Although sometimes lack of access to information regarding the contract challenges the auditing to attain value for money in contracts agreed that the ambiguous cost overrun was due to inflation. Contract requirements are often subject to change throughout the life of the contract and therefore, it may not always be possible to predict all variations.*

*The procurement and contract managers have ensured integrity in executing their duties in the ministry. Contract management is provided in some integral environment although the state of integrity is not much a matter as some officers leave or omit the integrity standards.*

#### **4.5.1 Effect of Contract management on service delivery in Bosaso district Puntland Somalia.**

In order to fulfill the objective, the researcher conducted regression analysis to detect the effect of contract management on service delivery. The findings in this case are provided in the stance of contract management and its bearing on service delivery in Bosaso district Puntland Somalia.

**Table 4.12: Regression analysis on effect of contract management on service delivery in Bosaso district Puntland Somalia**

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.606 <sup>a</sup>	.367	.364	.56311		
a. Predictors: (Constant), Contract Management						
ANOVA <sup>a</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	33.324	1	33.324	105.092	.000 <sup>b</sup>
	Residual	57.394	181	.317		
	Total	90.718	182			
a. Dependent Variable: Service delivery						
b. Predictors: (Constant), Contract Management						
Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.397	.146		9.552	.000
	Contract Management	.553	.054	.606	10.251	.000
a. Dependent Variable: Service delivery						

**Source: Field Data, 2024**

Results in Table 4.12 indicate results on the effect of contract management on service delivery in Bosaso district Puntland Somalia, based on the findings; the research found that the r-squared was .367 indicating that contract management has 36.7% effect on service delivery in Bosaso district Puntland Somalia. Based on the findings, the researcher contends that a unit increase in contract management lead to increase in service delivery by .606. The standard error estimate was. 31.661 indicate the close association of the respondents in terms of the information provided from the field.

A further regression analysis based on ANOVA indicates that there exists a statistically significant effect of supplier relationship management on service delivery in Bosaso district Puntland Somalia, the F-value was105.092, the p-value was 0.000 indicate that contract management is

statistically related/ affect the service delivery of Bosaso given that the p-value in the study is less than 0.05 significance interval indicating that contract management has a low statistically significant effect on service delivery in Bosaso district, Somalia.

Concerning the coefficients of analysis, the study indicated that contract management had a statistically significant effect service delivery in Bosaso district Puntland Somalia. The Beta values for contract is .606 with their respective levels of significance as 0.000 and 0.000 since the P-values are below 0.05, the researcher argue that there is a positive and significant effect of contract management on service delivery in Bosaso Somalia. The findings show that a unit change in contract management leads service delivery by .606. The results indicate that there was a moderate statistically significant effect of contract management on service delivery in Bosaso district Puntland Somalia.



## CHAPTER FIVE

### DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

#### 5.0 Introduction

This final section of the report deals with the discussion of the findings presented in the preceding chapter. The discussion is made with reference to other similar works done in previous studies. The section then draws conclusions from these discussions after which it offers its recommendations. Finally, it suggests areas that are potential grounds for research that could not be completed in the body of this report.

#### 5.1 Discussion of Findings

Regarding the research objectives that served as the study's compass, this section was further divided into three subsections.

##### 5.1.1 Effect of procurement planning on service delivery in Bosaso district Puntland Somalia

The study found that procurement planning has a statistically significant but low impact on service delivery in Bosaso district, Puntland, Somalia. These findings align with those of Ocharo (2019), who highlighted procurement planning as a critical factor, emphasizing that a well-structured plan details all the goods needed from outsourced suppliers to meet the demands of various departments. Such planning facilitates the efficient use of available resources, supports budget processes, and ensures the provision of adequate funds. The results also corroborate the findings of Patrick and Wallace (2018), who observed that procurement planning positively influences service delivery in secondary schools. The study recommends that procurement plans should be dynamic, prepared with participatory input, and frequently reviewed to enhance the value derived from public resources.

##### 5.1.2 Effect of supplier relationship management on service delivery in Bosaso district Puntland Somalia.

The study further found that supplier relationship management has a statistically significant positive low effect on service delivery in Bosaso district Puntland Somalia. The findings are consistent with those of Kosgei (2019), who examined the impact of supplier relationship management (SRM) on service delivery in Kenya. Kosgei's study utilized a cross-sectional design and employed a stratified random sampling method to ensure representation, given the heterogeneity of departments at Kenya Airways (KQ). Primary data was collected through

questionnaires administered to respondents. The study concluded that effectively implementing SRM strategies is a significant way for companies to enhance their performance. This is in agreement with those of Benah and Li (2020) who examined the relationship between Lean Supplier Relationship Management (LSRM) practices and the performance of manufacturing companies in Ghana. A close-ended questionnaire was used to collect the data for their analysis. The structural findings show that the performance of Ghanaian manufacturing enterprises was positively and significantly impacted by Just-In-Time Delivery (JD), Supplier Flexibility (SF), and Supply Partnership (SP). The findings agree with those of Mwangi (2017) who investigate the effect of supplier relationship management on the service delivery of sugar firms in Kenya. The researcher adopted a descriptive research design. SPSS was used to conduct the study, and frequency tables, graphs, and charts were used to illustrate the results. It was discovered that supplier cooperation, information exchange, and trust-based relationships in NPD have a good impact on service efficiency in Kenya's sugar industry.

### **5.1.3 Effect of contract management Practice on service delivery in Bosaso district Puntland Somalia.**

It was finally found that contract management has a statistically significant moderate effect on service delivery in Bosaso district Puntland Somalia. Based on the findings, the researcher contends that contract management practices can fairly lead to service delivery performance in Bosaso district of Puntland Somalia. The results agree with the research conducted by Geoffrey et al. (2019), who looked into how supplier relationship management affected the services provided by businesses. In order to determine the degree to which the independent factors influenced company performance in Kenyan state companies, their study used a descriptive survey design. The analysis of the data shows that the procurement performance of Kenyan state businesses was positively statistically correlated with supplier evaluation, partnership trust, and supplier development.

## **5.2 Conclusion**

### **5.2.1 Effect of procurement planning on service delivery in Bosaso district Puntland Somalia**

The study found that procurement planning has a statistically significant low effect on service delivery in Bosaso district Puntland Somalia. Based on the findings the study concludes procurement planning can be improved to generate increased service delivery in Bosaso district Puntland Somalia. It's imperative to argue that procurement planning is an aspect of service delivery in the management of the controls for service delivery in Bosaso district Puntland Somalia.

### **5.2.2 Effect of supplier relationship management on service delivery in Bosaso district Puntland Somalia.**

The study further found that supplier relationship management has a statistically significant positive low effect on service delivery in Bosaso district Puntland Somalia. Supplier relationship management in this case is an approach to the service delivery in Bosaso district Puntland Somalia. Its therefore significant that supplier relationship management in communities is good in realization for the service delivery for Bosaso district Puntland Somalia.

### **5.2.3 Effect of contract management Practice on service delivery in Bosaso district Puntland Somalia**

It was finally found that contract management has a statistically significant moderate effect on service delivery in Bosaso district Puntland Somalia. Therefore contract management practices can fairly lead to service delivery performance in Bosaso district of Puntland Somalia. The study contend in agreement that contract management is systematic in enabling the service delivery for Bosaso Puntland Somalia an aspect in the realization of the service delivery in Bosaso district Puntland Somalia.

## **5.3 Recommendations**

### **5.3.1 Effect of procurement planning on service delivery in Bosaso district Puntland Somalia**

To improve procurement planning, public institutions in Bosaso should adopt flexible and participatory approaches that respond to emerging trends and operational needs. Establishing a monitoring team to supervise subcontractors and procurement activities will ensure compliance with policies and reduce inefficiencies. Regular training and awareness campaigns for government employees on the importance of effective procurement planning are vital for optimizing resource

utilization. In resource-constrained environments, gradually introducing modern technologies for tracking and updating procurement plans will enhance transparency and improve service delivery. Additionally, developing comprehensive procurement planning policies will foster consistency and long-term.

### **5.3.2 Effect of supplier relationship management on service delivery in Bosaso district Puntland Somalia**

To enhance supplier relationship management, public institutions should focus on building trust and collaboration with suppliers through transparent communication and consistent adherence to agreed-upon terms. Developing strategic partnerships is essential for reducing lead times, improving cost efficiency, and ensuring product quality. Furthermore, implementing effective risk management strategies to address issues such as fraud and supplier unreliability can significantly boost supplier performance. These measures should be introduced gradually, with the support of digital tools for monitoring suppliers. Additionally, establishing formal supplier relationship management policies will help institutionalize best practices and ensure accountability

### **5.3.3 Effect of contract management Practice on service delivery in Bosaso district Puntland Somalia.**

To enhance contract management practices, public institutions in Bosaso should focus on hiring contractors with proven expertise, strong reputations, and financial stability, as these factors contribute to successful project outcomes. The integration of information technology for contract tracking and reporting will improve speed, transparency, and efficiency. Proactive risk mitigation strategies, including comprehensive risk management frameworks and regular audits, should be implemented to address potential contract-related issues. A gradual rollout of these initiatives, along with active involvement from top management in contract processes, will bolster accountability. Furthermore, formalizing contract management policies will ensure consistent and effective execution.

## **5.4 Contribution to existing Knowledge**

The purpose of the study was to investigate the effect of procurement Practices and service delivery in Bosaso district Puntland Somalia. The study examined the effect of procurement planning on service delivery; secondly assess the effect of supplier relationship management on service

delivery and to effect of contract management Practice on service delivery in Bosaso district Puntland, Somalia. The study explores the possibility of procurement practice and service delivery in the public organizations usually needed in the realization of service delivery in Bosaso district Puntland Somalia, the study contribute procurement planning, supplier relationship management and contract management as an inducement to service delivery, therefore procurement practice can be developed among the strong approaches to service delivery in Bosaso district.

### **5.5 Areas for further study**

Additional research can be done on how public procurement practices affect the service delivery. For comparisons, this would be quite relevant. If there are more public procurement practices that have an impact on service delivery, such a study would help to find them. This study also suggests that further research be done on the impact of procurement practices on service delivery. Research can also be done concentrating on how procurement practices affect the service delivery. This would help provide information on improved procurement practices that might be used to improve the effectiveness of service delivery.

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### **Appendix i: Research Questionnaire**

Dear respondent,

I am Mohamed Awil Mohamed, Reg. No 2022-08-11122, A student of Kampala International University conducting "Procurement Practices And Service Delivery in Bosaso District Puntland Somalia" in fulfillment of the requirements for award of Degree of Master of business

administration in procurement and supplies management. Your response to the questions below will be treated with utmost confidentiality and all information be used for only this purpose. I'm privileged to have you as my respondent and the information given to me is purely academic and will be treated with confidentiality.

**Section A: Demographics of respondents**

- 1. **Gender**
  - a) Male
  - b) Female
- 2. **Education background**
  - a) Certificate
  - b) Diploma
  - c) Degree
  - d) Post Graduate
- 3. **Age**
  - 18-29
  - 30- 39
  - 40-49
  - 50 Years above
- 4. **Time of work**
  - 1- 4 Years
  - 4- 8 Years
  - 9- 13 Years
  - Above 14 Years

**SECTION B: Procurement Practices**

The use of Likert scale were 1= strongly disagree, 2= Disagree, 3= Not sure 4= Agree, 5= Strongly Agree.

		<b>Rankings</b>				
	<b>Procurement Planning</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
PP1	The procurement budgets are prepared in a timely manner					
PP2	The procurement budget users are part of the budgets					
PP3	There are planned procurement costs in purchasing					
PP4	The procurement costs are undertaken in a timely manner					
PP5	There are specifications planned in a timely manner					
PP6	Experts undertake effective procurement planning in the organizations					
	<b>Supplier Relationship Management</b>					
SRM1	Supplier identification is undertaken by experts					
SRM2	Supplier identification procedures are well documented					
SRM3	Supplier assessment is done timely					
SRM4	Supplier assessments in the organizations are timely documented					
SRM5	Supplier evaluation is done based on a known policy					
SRM6	Supplier criteria is well determined in this organization					
	<b>Contract Management Practice</b>					
CM1	Delivery of the supplies is done in a timely manner					
CM2	There are appropriate means of delivering customers the services/ products					
CM3	There are contracts monitored in a timely manner					
CM4	Contract monitoring is undertaken by the exports					
CM5	Delivery management is ably evaluated in the district					
CM6	Deliveries in contract evaluation is undertaken amongst the organizations					

### **SECTION C: Service Delivery**

The use of likert scale were 1= strongly disagree, 2= Disagree, 3= Not sure 4= Agree, 5= Strongly Agree.

		<b>Rankings</b>				
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
SD1	Services quality of these district services are appropriate					
SD2	There are parameters in services provided to the employees					
SD3	There is economy for services mix is undertaken in the district					
SD4	Service timeliness is undertaken among the district staff					
SD5	There are services efficiency rendered in the services to the district					
SD6	Service delivery in this district is compared to the industry needs					
SD7	The provision of the services is comparable to the international standards					
SD8	Services delivery in this district is undertaken in a known criteria					

## **Appendix ii: Interview Guide**

- 4) How is procurement planning undertaken in Bosaso district Puntland Somalia?
- 5) What is the effect of procurement planning on service delivery in Bosaso district Puntland Somalia?
- 6) How supplier relationship management is conducted in Bosaso district Puntland Somalia?
- 7) What is the effect of supplier relationship management on service delivery in Bosaso district Puntland Somalia?
- 8) How is contract management undertaken in Bosaso district Puntland Somalia?
- 9) What is the effect of contract management Practice on service delivery in Bosaso district Puntland Somalia?
- 10) What are the challenges to procurement management in Bosaso district Puntland Somalia?