



PROCUREMENT PRACTICES ON PERFORMANCE OF HUMANITARIAN ORGANIZATIONS IN NAROBI CITY COUNTY IN KENYA

¹ Billygraham Miyiziru Musonye, ² Dr. Paul Machoka

¹Masters Student, Jomo Kenyatta University of Agriculture and Technology

²Lecturer, Jomo Kenyatta University of Agriculture and Technology

ABSTRACT

The decline in procurement efficiency, with a cycle time increase from 60 to 75 days, underscores operational challenges in obtaining crucial supplies promptly. Supplier evaluation practices' decline in meeting performance criteria, from 75% to 57%, indicates challenges in maintaining reliable suppliers. This study sought to assess the procurement Practices on Performance of Humanitarian Organizations in Nairobi City County in Kenya. Specifically, the study focused on establishing the effect of procurement process on performance of Humanitarian Organizations in Nairobi City County in Kenya and analyzing the effect ethical considerations on performance of Humanitarian Organizations in Nairobi City County in Kenya. The study adopted a descriptive survey design, utilizing both qualitative and quantitative methods to gather data from 130 respondents that engage in Procurement Practices of the 10 HOs in NCC, Kenya. Data was collected from the respondents through questionnaires. The collected data was analyzed using Statistical Package for Social Sciences (SPSS) Version 28 and presented in form of tables and figures while explanations were given in prose. The study concludes that procurement process has a positive and significant effect on performance of Humanitarian Organizations in Nairobi City County in Kenya. The study also concludes that ethical considerations has a positive and significant effect on performance of Humanitarian Organizations in Nairobi City County in Kenya. From the findings, this study recommends that the management of Humanitarian Organizations should enhance the needs analysis phase by ensuring it is thorough, accurate, and reflective of the current situation on the ground.

Key Words: Procurement Practices, Procurement Process and Ethical Considerations

Background of the Study

Humanitarian organizations (HOs) and their continuous efforts to alleviate human suffering through disaster relief operations and development aid initiatives. These organizations possessed key capabilities, including the rapid identification of needs, budgeting, demand management, information systems, supplier management, and best practices in engagement with fundraising, procurement, transportation, distribution, and delivery of goods and services to those in need (Falasca & Zobel, 2011).

According to Falasca & Zobel (2011), approximately 65% of HOs' expenditures were dedicated to procurement activities, with 15% allocated for transportation, 10% for personnel, and 10% for administration. These proportions were significant, especially considering that international humanitarian assistance exceeded USD 22 billion in 2018 (GHA, 2019). For example, in 2018, the United Nations Children's Fund (UNICEF) alone procured USD 3.5 billion in supplies and services for operations in 150 countries and regions from its annual budget of USD 5.2 billion (UNICEF, 2018). This translated to procurement constituting 67% of UNICEF's total budget for the year.

Similarly, in 2018, the Danish Refugee Council (DRC) allocated approximately 60% to 82% of its budget to procurement, amounting to USD 378.2 million out of its total annual budget of USD 460.4 million (DRC, 2018). HOs' procurement efforts encompassed pre-positioning supplies ahead of disasters as well as securing additional supplies immediately after disasters struck. The sudden surge in demand for specific goods during a disaster underscored the urgency of efficient procurement, as failure to do so could leave affected people without essential support.

HOs encountered various challenges in procuring items effectively, including an inability to adapt swiftly to changing needs, encountering delays, acquiring costly products or services, receiving substandard goods, facing procurement fraud, and managing limited budgets. Ineffectual procurement led to beneficiary frustration and erosion of donor trust. HOs grappled with budget reductions as major donors like the United States, Germany, and the United Kingdom curtailed their humanitarian spending (GHA, 2019). These organizations had to adhere to stringent ethical guidelines to uphold accountability, equality, non-discrimination, and transparency.

Wassenhove (2018) highlighted the need to balance the expectations of policymakers, governments, private donors, and beneficiaries, which could result in cumbersome and bureaucratic operations. Services had to maintain an acceptable level of quality and be delivered promptly to the intended recipients. Globally, around 500 disasters occurred annually, causing the loss of up to 75,000 lives and affecting approximately 200 million people. These disasters encompassed natural events like earthquakes, hurricanes, floods, droughts, wildfires, and human-made incidents such as industrial accidents and conflicts.

The ramifications of these disasters extended beyond immediate casualties, often leading to profound disruptions in communities, economies, and infrastructure. This necessitated humanitarian responses and relief efforts to aid those affected. In disaster relief, approximately 65% of operations' resources were allocated to logistics and relief operations. Hence, efficiency and effectiveness in logistics, particularly procurement, were crucial for HOs (Wassenhove, 2018).

Optimizing value for money and minimizing risk in procurement practices and decisions were essential for the efficient utilization of donations. However, donors frequently earmarked their contributions with specific spending constraints, such as funding particular projects, projects in specific countries, or projects aligned with certain political parties' agendas (Telgen et al., 2017). Procurement practices and decisions functioned as policy tools

to foster innovation, support small- and medium-sized enterprises, promote sustainability, boost local economies, and reduce unemployment, especially among marginalized groups (Grandia and Meehan, 2017).

Furthermore, HOs navigated high levels of complexity and uncertainty in supply and demand dynamics. For example, the necessary infrastructure to meet the needs of affected populations could be compromised (Van Wassenhove, 2018), information about local supplies availability might be scarce (Altay, 2020), and increased demand could trigger price hikes in local markets (Eftekhar & Webster, 2020). In these urgent and challenging contexts, HOs often prioritized effectiveness, such as agile procurement with short lead times, over efficiency-oriented procurement aimed at cost reduction.

These distinctions were particularly evident in HOs that provided disaster relief services, compared to those engaged in development aid programs with ongoing supplier relationships. While some progress had been made in studying humanitarian procurement, more research was needed to comprehensively understand its strategic role within supply chain management for humanitarian operations (Ertem & Buyurgan, 2013; Balcik & Ak, 2014; Jahre, 2017; Torabi et al., 2018; Kovacs & Moshtari, 2019). The present study aimed to address this research gap and shed light on the critical role of procurement in humanitarian supply chains, especially in the context of rapid disaster response.

The assessment of Procurement capabilities in achieving objectives while minimizing costs was a topic of significance, with performance determining the effectiveness of the acquisition Practices (Caitlin & Tara, 2019). Mwanjumwa et al. (2015) highlighted the pivotal role of Procurement Practices in enhancing service quality. However, they cautioned against improper usage that could impede change and jeopardize the Procurement and supplies function. Hasty changes in Procurement requirements had resulted in setbacks, particularly in developing nations, impacting both internal and external Practices. Changes had exerted a substantial influence on the ability of the procurement and logistics function to attain its objectives. Aligned with organizational missions, NGOs had emphasized ethical and sustainable Procurement practices by sourcing products and services that adhered to social and environmental standards.

In Nairobi County, Kenya, HOs held a pivotal role in the lives of individuals, contributing significantly to development, trade advancement, and social well-being through diverse activities. This noteworthy impact spurred a notable increase in the number of HOs addressing various societal needs. Primarily, HOs interacted with communities through relief efforts, particularly during critical periods requiring humanitarian assistance. These organizations proved invaluable by providing essentials such as food, medical aid, shelter, and evacuation during emergencies (Charles & Van Wassenhove, 2019).

According to Wanjala (2011), humanitarian aid refers to the assistance primarily provided by NGOs to individuals affected by disasters, aiming to alleviate suffering and save lives. Unexpected calamities like earthquakes often caught populations off guard, resulting in loss of lives and property. Governments, too, might find themselves unprepared or incapable of effectively managing such crises. In such scenarios, NGOs step in to offer immediate aid and prepare communities for future responses.

Statement of the Problem

The surge in NGOs from 125 in the 1970s to 11,262 by 2019 in Nairobi County, Kenya, underlines a burgeoning sector's evolution (Jeruto, 2016; NGOs Coordination Board, 2019). However, this growth has led to governance challenges under the Non-Government Organizations Coordination regulations of 1992, alongside financial compliance mandates like the Public Finance Management Act of 2012 and the Proceeds of Crime and Anti-Money Laundering Act of 2009 (Jeruto, 2016; NGOs Coordination Board, 2019; Amuhaya, 2020).

The humanitarian landscape's intricacies, involving diverse stakeholders and procurement complexities, significantly impact Humanitarian Organizations (Hos) in Nairobi (Gyongyi & Sigala, 2021; Harpreet K. & Prakash S., 2022). Procurement, constituting 80% of disaster relief costs, faces challenges such as increased cycle times and supplier performance drops (Murigi, 2014). Cost overruns and transparency issues further strain Hos' resources and accountability (Gyongyi & Sigala, 2021; Vaillancourt, A., 2021).

The decline in procurement efficiency, with a cycle time increase from 60 to 75 days, underscores operational challenges in obtaining crucial supplies promptly (Murigi, 2014). Supplier evaluation practices' decline in meeting performance criteria, from 75% to 57%, indicates challenges in maintaining reliable suppliers (Murigi, 2014). Similarly, cost overruns rose from 10% to 18%, reflecting strained resources and cost estimation issues (Gyongyi & Sigala, 2021).

Despite attempts to integrate local procurement, only 22% of procurement is sourced locally since 2019, limiting community impact (Gyongyi & Sigala, 2021). These challenges necessitate strategies to enhance procurement integrity, efficiency, and effectiveness, crucial for optimal performance, accountability, and ethical considerations (Gyongyi & Sigala, 2021; Vaillancourt, A., 2021).

Globally, NGOs predominantly operate in conflict zones, providing essential aid and advocating for human rights (Jacobson, 1984; NGO directory, 2012). However, the evolving landscape demands a reevaluation of procurement practices to align with modern challenges and enhance humanitarian outcomes.

General Objective

The main objective of the study was to assess the influence of procurement Practices on Performance of Humanitarian Organizations in Nairobi City County in Kenya.

Specific Objective

- i. To establish the effect of procurement process on performance of Humanitarian Organizations in Nairobi City County in Kenya
- ii. To analyze the effect ethical considerations on performance of Humanitarian Organizations in Nairobi City County in Kenya

Theoretical Review

The Resource-based theory

Resource Based asserts that, "the possession of strategic resources provides an organization with a golden opportunity to develop competitive advantages over its rivals." (Barney, J. B. 1991). It is these competitive advantages that in turn provides the ability and freedom for an organization to enjoy from the robust profits earned. (Ibid, 1991). The theory suggests that, "resources that are valuable, rare, difficult to imitate, and non-substitutable best position a firm for long-term success" (Barney, J. B. 1991).

The theory has got two assumptions in the analysis of sources of competitive advantages, the first assumption is that firms within various industries can vary on the type of resources that they control. And the second assumption is that, due to the imperfection of the resources used to implement firm's strategies, the resource heterogeneity may persist over a time period. The term resources can render the phenomenon of resources-based theory confusing as it is commonly used in everyday language, thus one ought to distinguish between strategic resources from other resources (Peteraf & Barney, 2003).

Cool et. al., (2002) indicated that a resource is valuable asset as it helps a firm to create strategies that capitalize on available opportunities and curtail the threats. Therefore, in this manner, resource heterogeneity or uniqueness is considered a necessary condition for a resource bundle to contribute to a competitive advantage. Resource-based theory is also premised on the paradigm that, the whole is greater than the sum of its parts.

Strategies and resources can be copied by another firms' organization, which is a disadvantage for a firm. However, by taking and bundling together several resources and strategies, strategic resources can be created in a way that cannot be copied. And this can produce a unique business model for a firm whose Procurement performance is without peer in the industry. The theory also argues that, "If all firms in a market have the same stock of resources, no strategy is available to one firm that would not also be available to all other firms in the market.

Barney (2003) explains Procurement performance as being attributed to resources having intrinsically different levels of efficiency in the sense that they enable the firms to deliver greater to their customers for a given cost (or can deliver the same benefit levels for a lower cost).

Stakeholder Theory and Sustainability

According to Ian Mitroff (1980) proposed the stakeholder theory in his book 'Stakeholders of the organizational mind' as one that puts as a primary managerial task the charge to influence, or manage, or balance the set of relationships that can affect the achievement of an organization's or institution's purpose. Stakeholder theory is a managerial concept of organizational strategy and ethics (Donaldson & Preston, 1995; Freeman & Evan, 1990).

The central idea is that an organization's success in its project initiatives is dependent on how well it manages the relationships with key groups such as customers, employees, suppliers, communities, financiers, and others that can affect the realization of its purpose. Whereas minor decisions and emergency situations are generally not appropriate for stakeholder participation, complex situations with far-reaching impacts warrant stakeholder involvement and when done proactively, rather than in response to a problem, help to avoid problems in the future (Donaldson & Preston, 1995).

Patton (2008) elaborated that the stakeholder model entails that all persons or groups with legitimate interests participating in an enterprise do so to obtain benefits and that there is no pre-set priority of one set of interests and benefits over another. In their study on 'Influence of Stakeholders' Participation on Procurement performance of Road Projects at Kenya National Highways Authority.

Nyandika and Ngugi (2014) emphasized the significance of the relationship between the top management staff with the stakeholders using the Stakeholders theory. Specifically, managers should understand the success of the projects can be influenced greatly by the participation of various stakeholders.

Purchasing', Onchiri & Kwasire (2016) argued that this theory helps in linking the independent variable (user involvement) with dependent variable (efficiency in the Procurement Practices).

Conceptual Framework

This study categorized key factors as independent and dependent variables. Independent factors, also known as predictor variables according to Mugenda (2008), predicted variations in another variable. The dependent variable was the one that the researcher aimed to explain. Therefore, the research focused on assessing procurement processes and ethical considerations on the performance of 10 humanitarian organizations in Nairobi County, Kenya. The conceptual framework illustrates associations between factors graphically, aiding researcher understanding (Orodho, 2018).

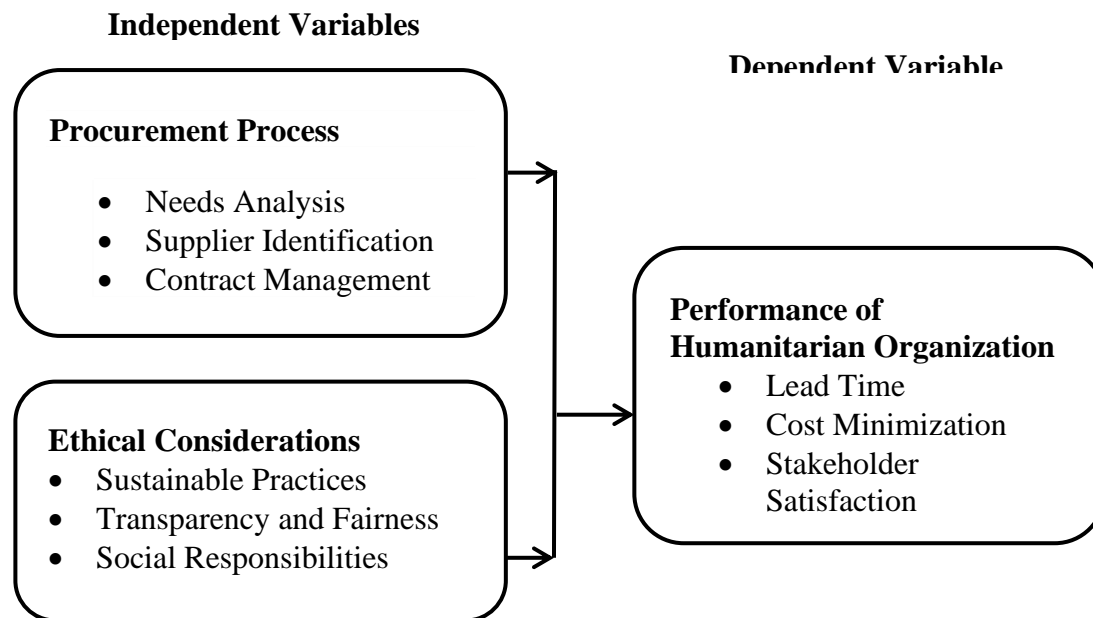


Figure 2. 1: Conceptual Framework

Procurement Process

As a fundamental tool that paved the way for other procurement activities, procurement was one of the primary functions contributing to the success of HOs' operations and improving service delivery. It was defined as a function that in motion the entire acquisition/procurement practices of local governments (Basheka, 2010).

Need analysis was much important to any organization, as it identified the 'need' and not the 'want', ensuring a clear understanding and agreement for the context. All team members needed to be on the same page with regard to the motivations behind the procurement plan to ensure all relevant parties were properly engaged with the project. This meant pulling together a multi-disciplinary stakeholder group and clearly understanding their relationship with the intended project, as well as their relevant characteristics and input. It was important for buying organizations to remember that successful procurement planning was all about matching market knowledge with demand via analysis (Debbie, 2023).

Supplier identification and evaluation were the processes of searching for potential suppliers who could deliver products, materials, or services required by companies (Shakya, 2019). Contract management was the overall process of effectively planning, administering, and managing commercial contracts with various entities such as vendors, partners, customers, and employees at all stages of their engagement with a business, needed for procurement practices (Mhelembe & Mafini, 2019).

Ethical Considerations

Procurement practices encompass the acquisition of goods and services within an organization, following established policies that dictate supplier selection, product choices, and utilization methods. These practices aim to employ effective business strategies to maximize the organization's value (Sollish and Semanik, 2012). Sustainable procurement, as defined by Grandia (2015), involves meeting goods and services needs in a manner that is environmentally friendly, cost-effective, and beneficial to society. It integrates systems and criteria designed to provide dual benefits for the organization and its stakeholders, promoting value chain circularity, well-being, and long-term resilience.

Transparency and fairness in procurement, highlighted by Pearson (2007), are crucial practices in organizations. Proper record-keeping ensures transparency, allowing decisions to be scrutinized and demonstrating adherence to procurement principles and requirements. Social responsibility in procurement refers to ethical and sustainable practices that organizations adopt to positively impact society, the environment, and stakeholders. This integration creates shared value, drives positive change, mitigates risks, enhances brand reputation, attracts socially conscious partners and customers, and contributes to sustainable development goals (Greasley, 2020).

Empirical Review

Procurement Process and Organization Performance

The procurement process involves identifying and consolidating requirements and determining the timeframes for procurement to ensure timely availability (Basheka, 2010). An effective procurement process is crucial for optimizing the procurement function's contribution to the organization's overall goals, supporting transparency, and enabling strategic, systematic, and procedurally correct procurement practices (UN, 2018).

As per UN (2018), the ultimate goal of the procurement process is coordinated and integrated action to fulfill the organization's needs for goods, services, or works promptly and cost-effectively. It ensures smooth operations and helps achieve organizational goals with the right quality and quantity of inputs. Failure to implement an effective procurement process can lead to goal failures, compromise procurement principles, and damage organizational credibility.

Waters (2004) defines procurement as encompassing the entire process of acquiring services or property, including risk assessment, exploring and evaluating alternative solutions, contract award, delivery, payment, ongoing contract management, and disposal. Procurement planning, as highlighted by Basheka (2010), is fundamental for subsequent acquisition activities.

James (2004) stresses that the procurement process should ideally occur in a harmonious environment, addressing key questions like timing, procurement sources, resource availability, techniques, impact on end-users, involved entities, effectiveness, and participant roles. However, the World Bank (2003) notes that procurement process evaluations often focus solely on financial aspects, lacking consideration for essential factors like timing, contract packaging, and efficient procurement methods, leading to poor-quality plans in many cases.

Ethical Considerations and Organization Performance

Sustainable procurement practices in humanitarian organizations (HOs) emphasize selecting suppliers committed to environmental stewardship, ethical labor practices, and social responsibility. This entails evaluating suppliers' adherence to sustainability standards,

certifications, and industry best practices such as eco-friendly materials and fair labor conditions. Sustainable procurement aligns with stakeholder expectations and potentially enhances procurement performance (Barney, 2011).

HOs partnering with sustainable supplier's support initiatives that reduce environmental impact, promote social equity, and enhance community resilience during humanitarian crises (Hervani, Helms, and Sarkis, 2015). Transparent procurement practices are crucial, requiring meticulous record-keeping to ensure accountability and adherence to procurement principles (Pearson, 2007).

Incorporating environmental considerations into strategic and operational decisions is considered good management practice (Russo and Cardinali, 2012). Transparency and fairness are integral to supplier selection, ensuring equal opportunities, unbiased evaluations, and merit-based decisions (Huang and Keska, 2013). Open and equitable competition fosters value-for-money outcomes and market-driven efficiencies (Pearson, 2007).

HOs also prioritize suppliers with strong social responsibility commitments, including community support, diversity promotion, and human rights protection (Agarwal and Vijayvargy, 2012). Collaborating with socially responsible suppliers contributes to positive social impact and reinforces community resilience in humanitarian contexts.

RESEARCH METHODOLOGY

Research Design

According to Creswell and Poth (2016), the study design was a critical aspect of research methodology, defining the approach for collecting, analyzing, and presenting data to address research questions. This study adopted a descriptive survey design, integrating both qualitative and quantitative methods to gather firsthand data.

Target Population

Marshall and Rossman (2015) defined the target population as individuals, businesses, or institutions under study. In this research, the target population comprised 130 respondents actively engaged with organizations in Nairobi County affected by disasters. The study focused on 10 specific organizations. Within each organization, respondents included 1 Board of Directors member, 1 CEO, 1 Finance Manager, 1 Procurement Manager, 2 Project Managers, 2 Procurement Officers, 2 Finance Officers, and 2 Monitoring and Evaluation Officers.

Table 3. 1: Target Population

Category	Target Population	Percentage (%)
Board of Directors	10	8
Executive Director/CEOs	10	8
Finance Manager	10	8
Procurement Managers	10	8
Project Managers	20	15
Procurement Officers	20	15
Finance Officers	20	15
Monitoring and Evaluation Officers	30	23
Total	130	100

Source: HR of the Humanitarian Organizations, 2024

Sample Size and Sampling Techniques

The sample size for this study was determined based on statistical considerations to ensure adequate representation and meaningful analysis of the data collected. A sample size of 130 respondents was chosen, considering the research objectives and the need for sufficient data to draw reliable conclusions.

In accordance with Gay (2015), a sample of 10% could be representative. However, this study did not employ sampling procedures; instead, a census methodology, as suggested by Kombo and Tromp (2013), was used to collect data from all respondents. As noted by Kothari (2014), when a population is sufficiently small, sampling is unnecessary. The study's sample consisted of 130 respondents from 10 humanitarian organizations within Nairobi City County, Kenya.

Within each selected organization census sampling was then used to identify and recruit respondents from different roles and levels within the organization, including Board of Directors members, CEOs, Finance Managers, Procurement Managers, Project Managers, Procurement Officers, Finance Officers, and Monitoring and Evaluation Officers.

Data Collection and Instruments

The research utilized standardized questionnaires to collect a blend of qualitative and quantitative data. The key-informant technique was applied, concentrating primarily on project officers. The questionnaires were carefully structured with a mix of open-ended and closed-ended questions, allowing informants to provide comprehensive information and insights regarding the research topic.

Data Collection Procedures

The research employed the drop-and-pick method for managing responses to research questionnaires. Each respondent was personally met by the researcher, who introduced themselves, presented an authorization letter issued by the university, and gave an overview of the research's scope and purpose. Respondents were assured that all information provided would be treated confidentially and kept private.

Pilot Testing

The questionnaires were pre-tested by the researcher to evaluate the data's reliability and validity. The purpose of this exercise was to determine the respondents' degree of knowledge of the specifics in the questionnaire, as well as to see if the feedback from the pre-test supplied the sort of information required or if any of the questions were misinterpreted (Cooper & Schindler, 2014).

Following this exercise, some questionnaire items were removed, while others were enhanced. A sample size of 10 percent of the target population in the presence of the researcher was used to identify and address areas of ambiguity or confusion. A pilot test was employed to discover flaws in the design and equipment, as well as to provide proxy data for the probabilistic sampling procedure (Cooper & Schindler, 2014).

Data Processing and Analysis

The data was analyzed by the researcher using a variety of approaches, including descriptive analysis and inferential analysis. The research yielded both quantitative and qualitative results. The numerical data obtained was analyzed using both descriptive and inferential statistics (Kothari, 2014). To identify how independent factors impacted the dependent variable, descriptive statistics allowed the computation of measures of central tendency, measures of skewness, and measures of variation (Neuman, 2010).

Inferential statistics were used to compute the confidence levels to be applied; normality test, test for heteroscedasticity, correlation matrix, and multiple regression Practices. The Statistical Package for Social Sciences (SPSS) application version 28 was utilized for the analysis of research variables. It contained descriptive statistical capabilities that helped with variable response comparability and showed response frequency clearly. It had a lot of data handling capabilities and statistical analyzing Practices that could analyze tiny to huge data statistics, and it was more stable (Orodho, 2018).

This method provided concise summaries of the sample data as well as manageable quantitative descriptions. Correlation analysis was used to determine the link between the independent and dependent variables. The goal of correlation was to enable the researcher to forecast how a measure would vary from the norm. The size and orientation of the link between a single independent variable in the model were determined using Karl Pearson's correlation coefficient (r) (Ngechu, 2017).

Correlation coefficient values were always between -1 and +1. A correlation coefficient of +1 showed that the two parameters were perfectly related in a positive linear sense, whereas a correlation coefficient of 0 indicated that there was no relationship. Multiple linear regression aimed to describe the connection between two or more explanatory factors and a response variable by fitting a linear equation to the observed data, where each value of the independent variable was linked with a value of the dependent variable (Ogula, 2015).

As a result, this research was a good match for the approach and test. The proportion of variation in the predicted variable explained by variance in the predictor variables was known as R^2 , and the greater it was, the better (Kombo & Tromp, 2013).

The model is presented as follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \varepsilon$$

Where:

Y – Performance of Humanitarian Organizations

β_0 = Constant Coefficient

X_1 - Procurement Practices

X_2 – Ethical Considerations

β_0 - Regression constant/intercept

$\beta_1, \beta_2, \beta_3$ - Beta coefficient or change induced in Y by each X.

ε - Error term that accounts for the variability in Y that cannot be explained by the linear effect of the predictor variables.

PRESENTATION, ANALYSIS AND INTERPRETATION OF DATA

Descriptive Statistics Analysis

Descriptive statistics are brief descriptive coefficients that summarize a given data set, which can be either a representation of the entire or a sample of a population. Descriptive statistics are broken down into measures of central tendency (mean), measures of dispersion (standard deviation), frequencies and percentage (Baggio & Klobas., 2017). This study used descriptive statistics with the help of Statistical Package for Social Sciences to analyze the study variables.

Procurement Process and Organization Performance

The first specific objective of the study was to establish the effect of procurement process on performance of Humanitarian Organizations in Nairobi City County in Kenya. The respondents were requested to indicate their level of agreement on statements relating to procurement process and performance of Humanitarian Organizations in Nairobi City County in Kenya. A 5 point Likert scale was used where 1 symbolized strongly disagree, 2 symbolized disagree, 3 symbolized neutral, 4 symbolized agree and 5 symbolized strongly agree. The results were as presented in Table 1.

From the results, the respondents agreed that the organization has a well-defined and documented procurement process. This is supported by a mean of 3.943 (std. dv = 0.981). In addition, as shown by a mean of 3.926 (std. dv = 0.850), the respondents agreed that they are familiar with the procurement process procedures and guidelines within the organization. Further, the respondents agreed that the organization's procurement process is transparent and communicates clearly defined objectives. This is shown by a mean of 3.911 (std. dv = 0.914).

The respondents also agreed that the procurement process effectively aligns with the overall strategic goals of the organization. This is shown by a mean of 3.896 (std. dv = 0.947). With a mean of 3.889 (std. dv = 0.856), the respondents agreed that Key stakeholders, including end-users and relevant departments, are actively involved in the procurement process. The respondents agreed that there is effective communication and collaboration between the procurement department and other organizational units during the process phase. This is supported by a mean of 3.876 (std. dv = 0.694). In addition, as shown by a mean of 3.764 (std. dv = 0.892), the respondents agreed that procurement process decisions consider input from various stakeholders to ensure comprehensive and informed decisions

From the results, the respondents agreed that the organization actively seeks feedback from stakeholders to improve and refine the procurement process. This is supported by a mean of 3.743 (std. dv = 0.897). In addition, as shown by a mean of 3.712 (std. dv = 0.675), the respondents agreed that the procurement process contributes significantly to achieving cost efficiency and resource optimization.

Table 1: Procurement Process and Organization Performance

	Mean	Std. Deviation
The organization has a well-defined and documented procurement process	3.943	0.981
I am familiar with the procurement process procedures and guidelines within the organization.	3.926	0.850
The organization's procurement process is transparent and communicates clearly defined objectives.	3.911	0.914
The procurement process effectively aligns with the overall strategic goals of the organization.	3.896	0.947
Key stakeholders, including end-users and relevant departments, are actively involved in the procurement process.	3.889	0.856
There is effective communication and collaboration between the procurement department and other organizational units during the process phase.	3.876	0.694
Procurement process decisions consider input from various stakeholders to ensure comprehensive and informed decisions.	3.764	0.892
The organization actively seeks feedback from stakeholders to improve and refine the procurement process.	3.743	0.897
The procurement process contributes significantly to achieving cost efficiency and resource optimization.	3.712	0.675
Aggregate	3.828	0.873

Ethical Considerations and Organization Performance

The second specific objective of the study was to analyze the effect ethical considerations on performance of Humanitarian Organizations in Nairobi City County in Kenya. The respondents were requested to indicate their level of agreement on various statements relating to ethical considerations and performance of Humanitarian Organizations in Nairobi City County in Kenya. The results were as presented in Table 2.

From the results, the respondents agreed that the organization has well-defined and documented procurement policies and procedures. This is supported by a mean of 3.968 (std. dv = 0.905). In addition, as shown by a mean of 3.859 (std. dv = 0.885), the respondents agreed that procurement decisions within the organization are based on transparent and fair processes. Further, the respondents agreed that the organization consistently seeks competitive bids and quotations for its procurement needs. This is shown by a mean of 3.850 (std. dv = 0.605). With a mean of 3.845 (std. dv = 0.981), the respondents agreed that there is effective communication and collaboration between the procurement department and other organizational units.

The respondents agreed that the organization actively engages with suppliers to build strong and mutually beneficial relationships. This is supported by a mean of 3.833 (std. dv = 0.872). In addition, as shown by a mean of 3.821 (std. dv = 0.897), the respondents agreed that the procurement team ensures that suppliers adhere to ethical and sustainable business practices. Further, the respondents agreed that the organization considers factors beyond cost, such as quality and reliability, when selecting suppliers. This is shown by a mean of 3.811 (std. dv = 0.897). With a mean of 3.786 (std. dv = 0.793), the respondents agreed that the organization regularly evaluates and monitors the performance of its key suppliers. The respondents also agreed that procurement practices within the organization contribute to cost savings and efficiency. This is shown by a mean of 3.756 (std. dv = 0.783).

Table 2: Ethical Considerations and Organization Performance

	Mean	Std. Deviation
The organization has well-defined and documented procurement policies and procedures.	3.968	0.905
Procurement decisions within the organization are based on transparent and fair processes.	3.859	0.885
The organization consistently seeks competitive bids and quotations for its procurement needs.	3.850	0.605
There is effective communication and collaboration between the procurement department and other organizational units.	3.845	0.981
The organization actively engages with suppliers to build strong and mutually beneficial relationships.	3.833	0.872
The procurement team ensures that suppliers adhere to ethical and sustainable business practices.	3.821	0.897
The organization considers factors beyond cost, such as quality and reliability, when selecting suppliers.	3.811	0.897
The organization regularly evaluates and monitors the performance of its key suppliers	3.786	0.793
Procurement practices within the organization contribute to cost savings and efficiency	3.756	0.783
Aggregate	3.819	0.867

Performance of Humanitarian Organizations

The respondents were requested to indicate their level of agreement on various statements relating to performance of Humanitarian Organizations in Nairobi City County in Kenya. A 5 point Likert scale was used where 1 symbolized strongly disagree, 2 symbolized disagree, 3 symbolized neutral, 4 symbolized agree and 5 symbolized strongly agree. The results were as presented in Table 3.

From the results, the respondents agreed that the humanitarian organization effectively addresses the needs of the communities it serves. This is supported by a mean of 3.984 (std.

dv = 0.997). In addition, as shown by a mean of 3.977 (std. dv = 0.831), the respondents agreed that the organization's mission and goals align with the current humanitarian challenges and priorities. Further, the respondents agreed that they believe the organization efficiently utilizes its resources to achieve its humanitarian objectives. This is shown by a mean of 3.938 (std. dv = 0.563). The respondents also agreed that the organization demonstrates a commitment to transparency and accountability in its operations. This is shown by a mean of 3.921 (std. dv = 0.851).

The respondents agreed that the programs and projects implemented by the organization have a meaningful impact on the target populations. This is supported by a mean of 3.911 (std. dv = 0.873). In addition, as shown by a mean of 3.897 (std. dv = 0.734), the respondents agreed that the organization is successful in adapting its programs to respond to changing humanitarian needs. Further, the respondents agreed that the organization effectively collaborates with local partners and stakeholders to enhance program outcomes. This is shown by a mean of 3.856 (std. dv = 0.894). The respondents also agreed that they feel that the organization's programs contribute to the long-term sustainability and resilience of communities. This is shown by a mean of 3.845 (std. dv = 0.832). The respondents also agreed that the organization demonstrates financial responsibility and stewardship in its use of donor funds. This is shown by a mean of 3.798 (std. dv = 0.786).

Table 3: Performance of Humanitarian Organizations

	Mean	Std. Deviation
The humanitarian organization effectively addresses the needs of the communities it serves.	3.984	0.997
The organization's mission and goals align with the current humanitarian challenges and priorities.	3.977	0.831
I believe the organization efficiently utilizes its resources to achieve its humanitarian objectives.	3.938	0.563
The organization demonstrates a commitment to transparency and accountability in its operations.	3.921	0.851
The programs and projects implemented by the organization have a meaningful impact on the target populations.	3.911	0.873
The organization is successful in adapting its programs to respond to changing humanitarian needs.	3.897	0.734
The organization effectively collaborates with local partners and stakeholders to enhance program outcomes.	3.856	0.894
I feel that the organization's programs contribute to the long-term sustainability and resilience of communities.	3.845	0.832
The organization demonstrates financial responsibility and stewardship in its use of donor funds.	3.798	0.786
Aggregate	3.829	0.818

Correlation Analysis

The present study used Pearson correlation analysis to determine the strength of association between independent variables (procurement process and ethical considerations) and the dependent variable (Performance of Humanitarian Organizations in Nairobi City County in Kenya) dependent variable.

Table 4: Correlation Coefficients

		Organization Performance	Procurement Process	Ethical Considerations
Organization Performance	Pearson Correlation	1		
	Sig. (2-tailed)			
	N	121		
Procurement Process	Pearson Correlation	.836**	1	
	Sig. (2-tailed)	.002		
	N	121	121	
Ethical Considerations	Pearson Correlation	.856**	.185	1
	Sig. (2-tailed)	.000	.078	
	N	121	121	121

From the results, there was a very strong relationship between procurement process and Performance of Humanitarian Organizations in Nairobi City County in Kenya ($r = 0.836$, p value = 0.002). The relationship was significant since the p value 0.002 was less than 0.05 (significant level). The findings are in line with the findings of Brown and Hyer (2016) who indicated that there is a very strong relationship between procurement process and organization performance.

The results also revealed that there was a very strong relationship between ethical considerations and Performance of Humanitarian Organizations in Nairobi City County in Kenya ($r = 0.856$, p value = 0.000). The relationship was significant since the p value 0.000 was less than 0.05 (significant level). The findings are in line with the results of Zimmermann, *et al* (2015) who revealed that there is a very strong relationship between ethical considerations and organization performance

Regression Analysis

Multivariate regression analysis was used to assess the relationship between independent variables (procurement process and ethical considerations) and the dependent variable (Performance of Humanitarian Organizations in Nairobi City County in Kenya)

Table 5: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.940	.884	.885	.582

a. Predictors: (Constant), procurement process and ethical considerations

The model summary was used to explain the variation in the dependent variable that could be explained by the independent variables. The r -squared for the relationship between the independent variables and the dependent variable was 0.884. This implied that 88.4% of the variation in the dependent variable (Performance of Humanitarian Organizations in Nairobi City County in Kenya) could be explained by independent variables (procurement process and ethical considerations).

Table 6: Analysis of Variance

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	12.027	2	6.014	106.25	.000 ^b
1 Residual	6.568	118	.0566		
Total	18.595	120			

a. Dependent Variable: Performance of Humanitarian Organizations

b. Predictors: (Constant), procurement process and ethical considerations

The ANOVA was used to determine whether the model was a good fit for the data. F calculated was 106.25 while the F critical was 2.450. The p value was 0.000. Since the F-calculated was greater than the F-critical and the p value 0.000 was less than 0.05, the model was considered as a good fit for the data. Therefore, the model can be used to predict the influence of procurement process and ethical considerations on performance of Humanitarian Organizations in Nairobi City County in Kenya.

Table 7: Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error			
1	(Constant)	0.311	0.082		3.793	0.003
	procurement process	0.387	0.091	0.388	3.593	0.003
	Ethical Considerations	0.392	0.102	0.393	3.843	0.001

a Dependent Variable: Performance of Humanitarian Organizations

The regression model was as follows:

$$Y = 0.311 + 0.387X_1 + 0.392X_2 + \epsilon$$

According to the results, procurement process has a significant effect on performance of Humanitarian Organizations in Nairobi City County in Kenya ($\beta_1=0.387$, p value= 0.003). The relationship was considered significant since the p value 0.003 was less than the significant level of 0.05. The findings are in line with the findings of Brown and Hyer (2016) who indicated that there is a very strong relationship between procurement process and organization performance.

In addition, the results revealed that ethical considerations has significant effect on performance of Humanitarian Organizations in Nairobi City County in Kenya ($\beta_1=0.392$, p value= 0.001). The relationship was considered significant since the p value 0.001 was less than the significant level of 0.05. The findings are in line with the results of Zimmermann, *et al* (2015) who revealed that there is a very strong relationship between ethical considerations and organization performance.

Conclusions

The study concludes that procurement process has a positive and significant effect on performance of Humanitarian Organizations in Nairobi City County in Kenya. Findings revealed that needs Analysis, supplier identification and contract management influence performance of Humanitarian Organizations in Nairobi City County in Kenya

The study also concludes that ethical considerations has a positive and significant effect on performance of Humanitarian Organizations in Nairobi City County in Kenya. Findings revealed that sustainable Practices, transparency and Fairness and social Responsibilities influence performance of Humanitarian Organizations in Nairobi City County in Kenya.

Recommendations

From the findings, this study recommends that the management of Humanitarian Organizations should enhance the needs analysis phase by ensuring it is thorough, accurate, and reflective of the current situation on the ground. This may involve conducting regular assessments, involving local communities, and utilizing data-driven approaches to identify priority needs.

The study also recommends that the management should embed sustainability principles into procurement processes by prioritizing suppliers and vendors that demonstrate

environmentally friendly practices, ethical sourcing of materials, and adherence to labor standards. This may involve incorporating sustainability criteria into supplier selection criteria and engaging in dialogue with suppliers to encourage sustainable practices.

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