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Influence of Procurement Practices on SMEs' Growth in Samburu County

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Abstract

Purpose: The purpose of the study was to establish the influence of procurement practices by the county government in supporting SMES' growth in Samburu County

Methodology

The research followed a descriptive design. The target population was made up of 2,546 SME owners and 15 Government officers. The research used a sample of 255 SME owners and 15 government officials chosen using simple random sampling technique and purposive sampling technique respectively. The researcher collected data using questionnaires and schedules for interviews. The study undertook a pre-test study in Samburu County using 26 SME owners (10 percent of the study) that were not in the sampled size of the study. The 26 SME owners were selected by simple random method. The study also interviewed 3 county government officer's secretaries in charge of SMEs in Samburu County selected by purposive sampling method. Measures were put in place for ensuring that pre-test study's owners of SMEs were not included in the study in actual data collection. The main study was able to collect both quantitative and qualitative data. Using descriptive analysis, the quality data obtained from open-ended questions was analyzed. Quantitative data analysis was performed using descriptive statistics such as frequencies, percentages, and means; and inferential statistics such as Pearson Correlation and Regression Processing, using SPSS Version 24.

Results: There was a positive significant relationship between procurement practices and growth performance of SMEs. This implies that procurement practices support from the county government had a significant impact towards contribution on the growth of their businesses over the last three years. R value was .801 while R-square value was .642. This was explained that procurement practices predicted 64.2 percent of growth performance variable. Procurement practices had a $\beta=0.098$ and a $p\text{-value}=0.001$.

Unique contribution to theory, policy and practice: The study gathered from procurement practices variable that in Samburu county, the government had allowed an open access for SMEs to contract opportunities. SMEs owners however complained on limited efforts facilitated through

county government to make sure that SMEs remained competitive as compared to other types of businesses. The study therefore recommended that providing access to contract would be more useful to SMEs owners if they had knowledge on how to place bids to stand a chance in winning the contracts hence more training was offered. There should be more public awareness on availability of these resources especially county government tenders. The study recommended also that county government should conduct more research on potential markets where SMEs owners can supply products to earn more profits.

Keywords: *Procurement practices, SME's growth, Samburu County*

1.0 INTRODUCTION

Small and medium-sized enterprises (SMEs) play a crucial role in national economies around the world, creating jobs and adding value and leading to innovation (OECD, 2017). SME's are crucial in attempting to promote more sustainable development and environmental sustainability. Growth performance is an improvement of measurements that are used in determining business achievement (OECD, 2017). The economic growth trend and accelerated industrial development have forced many countries to open their markets to the world. Together, governments around the world are dedicating and developing strategies for SME growth to help SMEs meet new market challenges in a dynamic global business environment. This is also motivated by the fact that in many countries, and governments, especially the OECD countries, rise to the challenge of low growth. SMEs in some countries definitely struggle the prolonged effects of 2007-08 global financial crisis, which overwhelmingly affected new and small companies, widening the productivity gap between small and medium-sized enterprises and poor trade and investment, and growing or continually high inequality (OECD, 2017).

Business strategies are seen as enablers of business growth as it reorganizes business operations and enhanced accessibility to business opportunities and markets; improved business-related efficiencies, increases efficiency and performance. Among the most important factors affecting SMEs and entrepreneurship are the regulatory conditions. SMEs face greater issues than large companies when it comes to reviewing the regulatory framework and addressing standards (OECD, 2019). SME growth need a cross-cutting strategy that reflect on many areas (e.g. policy capacity to strengthen sound economic and financial policies, stakeholder capacity to develop favorable microeconomic working environments, among others through streamlined regulatory and legal paradigms), good governance, ample and affordable funding, appropriate infrastructure, supportive healthcare, adequately stable and flexibly qualified workers, competent public and private institutions, and the capacity of SMEs to adopt sustainable operating practices and market strategies) (OECD, 2019).

Given extensive business development literature, notably little is known about which SME assistance programs work and why (Acevedo & Tan, 2010). In Latin America, for instance, international financial organizations Multilateral development banks, regional donors and governments are making substantial funding available for SME support programs. Nevertheless, most of this funding is based on specific areas: offering financial loans to SMEs, and promoting general business climate changes that primarily favored larger companies, including multinationals, rather than small and medium-sized enterprises. Many aid programs were often

overlooked (Acevedo & Tan, 2010). However, there was limited research on the influence of such strategies on the growth of SMEs.

In the European Union, SMEs make up close to 100 percent of all firms and their employment rates were rising (Eurostat, 2017). The UK Department for International Development (DFID) stated that small and medium-sized businesses hired an average of 66 percent of permanent full-time workers in the developing world (DFID, 2012). For instance, in India, SMEs accounted for around 40% of exports in 1998-2008; in China, 60% of exports; and in Vietnam, 20% of exports (World Trade Organisation, 2014).

The contribution of SMEs towards employment across Africa is substantial. In Zimbabwe, for instance, Small and medium enterprises account for the employment of at least 57% of the productive population (Zindiye, Chiliya & Masocha, 2012). Small business sector growth is seen as key to achieving wider development goals. These priorities include alleviating poverty, extending job opportunities to rural areas, improving women's situation and increasing indigenous control of economic investment.

1.2 Statement of the problem

Globally, the growth of small and medium-sized enterprises is vital to any given nation's economy. Governments support SME's initiatives in practically every country in Asia and Latin America, and in many of the countries of Africa. Government support programs created effective systemic constraints that make SMEs more capable to contribute to growth by manufacturing goods and services and generating jobs. In Kenya a study by Ongolo (2013) observed different organizational and regulatory complexities which SMEs face.

In the dispensation of the County era, the weights of these challenges vary from County to County. These include: weak management of the SME operations; ineffective private and public county-level dialogue (UNDP, 2015); law enforcement and awareness disparity on regional and county policies system (Mazzarol, 2014). There are also reports that the majority of SMEs are scattered, without any structured institutional structure to address their issues. Moreover over 80% of Kenya's SMEs are agribusiness-based with minimal capacity of technological innovation (Ongolo & Awino, 2013).

One of the main aims of government support programs is stimulating growth and improving SMEs' performance. Work on government assistance from outside and inside Kenya have, however, suggested a positive result (Ochochide, Adegbuyi & Olokundin, 2018). While many programs are successful, others suffer from a vast array of priorities and poor coordination, also leading to duplication with no single government department coordinating SME promotion policies. Some county governments do not have the capacity or skills to facilitate effective policies for SMEs. But the increasing rate of SMEs failure has indicated a counter-effect. Has the new devolved governance structure mitigating these difficulties to boost SME growth been ineffective? There is limited research on whether county government strategies employed in supporting SMEs' growth are effective, and thus the motive of the study.

1.3 Purpose of the study

The purpose of the study was to establish the influence of procurement practices by the county government in supporting SMES' growth in Samburu County

1.4 Hypothesis

H₀: There is no statistically significant relationship between procurement practices by the county government and SMES' growth in Samburu County.

2.0 LITERATURE REVIEW

2.1 Theoretical Review

The study was guided by resource-based theory. The theory which was developed by Foss and Stieglitz (2010), stipulates that business organizations encounter shortages of resource supply, while at the same time have to efficiently optimize resources. They need to acquire comparable external resources and look for other capabilities to counter the shortage of resources (Bontis, Chong & Richardson, 2000). Furthermore, enterprises are able to look for specialists to provide goods and services of a better quality. At the same time, the business produce quality goods without the need to hire a large number of people. For SMEs, access to resources and ideas is usually limited, so outsourcing permits companies to collect new ideas and inventions. It also results to potential cash inflows due to a transfer of assets to new providers. Taking into perspective that is discussed above, resource-based theory assumes that resources are purchased from suppliers to augment in-house competences rather than completely procured resources (Lumpkin & Dess, 2001).

The resource-based view of organizations suggest that the company's resource profile determine efficiency, while the basis of higher output is embedded in the possession and distribution of conspicuous materials that are difficult to replicate (Mazzarol & Choo, 2003). RBV recommends that enterprises achieve a sustainable competitive advantage if they have certain vital resources and if they make good use of those resources in their chosen markets. O'cass et al. (2004) argues that a company's unique features are capable of producing hard to replicate core resources, which determine the difference in results between competitors.

The resource-based view, therefore, specifies the underlying roots and triggers of the company's competitive advantage. Higher performance is primarily associated with the qualities of its resources and capacities that were unique, significant, difficult to imitate and not replaceable. The Resource Based View (RBV) of the firm suggests that firm success rests on company specific resources and capabilities.

2.2 Empirical Review

According to the Donor Committee for Enterprise Development (DCED) (2017), SMEs can get preferential support through public procurement, because of their presence in almost all economies and the advantages of working with them. SMEs are usually the vast majority of companies in the EU, for example, accounting for 99 percent of firms, yet still have a fairly limited share of public procurement expenditure. Increased competition, increased demand, increased creativity,

increased job growth, enhanced social and economic equity, deconcentrating of industry among others.

Arrowsmith (2010) opines that among other things, procurement reform includes revamping, removing unduly stringent requirements, electronic trade, breakouts vs. bundling lots. Though these reforms favor all private sector firms, they often have a greater effect on SMEs. Since small and medium-sized businesses have less resources, anything else that streamline the process and reduces involvement costs lead to greater relative results for them. That same reasoning applies to the number of public procurement companies owned by women. Traditional methods of procurement benefit existing, male dominated enterprises. The main benefit of the reforms related to procurement as a means of helping small and medium-sized businesses is that it is probably the most effective type of policy compared to the more focused policies.

In a survey by the Asian Development Bank (ADB) (2012), It was identified that regulatory costs per employee in the United States tend to be at least 36% more in small businesses than in medium-sized and big businesses. Besides rising trading costs by technical advances, there are a range of additional policy elements which are streamlined regardless of the electronic nature of the mechanism. First and foremost, it is to simplify the process of application and reduce the managerial expenses that the organization faced in order to engage.

In a study in developing countries, Obanda (2012) found that there are several possible upfront obstacles in relation to costs. That restricted small and medium-sized enterprises' capacity to participate in the process of procurement which is considered. Simplifying as much process and time as possible provides significant assistance to SMEs with sometimes minimal managerial resources. Some capabilities include: criteria for registration, though significant, adding costs to the potential of small and medium-sized businesses to participate in procurement. One way to help the SME mitigate these costs is the provision of reduced or even waived fees. Another factor is that burdensome bid details and specifications for documentation generates costly management activities for small and medium sized businesses. This is resolved by raising the need to sign smaller contracts. Another alternative is by allowing selection criteria for the initial bidding rounds to be self-certified and needing specific certification information only at the final stage. Long bid collection, evaluation and award protocols restrict SMEs' capacity and readiness to engage.

According to a survey by the World Bank Group (2016), the timing of payment is crucial for small and medium-sized businesses because problems with prompt payments or long delays in service delivery payments drive companies into bankruptcy and even discourage other small and medium-sized enterprises from interacting with governments. Ensuring that consultants are compensated as required and helping to address liquidity issues for SMEs on time. In addition, in sub contract circumstances, whereby SMEs and females-owned businesses typically enter the purchasing market, they are the first category adversely affected by a lag in payments to the leading contractors. The report shows that in Algeria, the Dominican Republic, India, Cote d'Ivoire and Morocco have each put aside about 20 per cent of the total value of government contracts to be utilized for supporting with small and medium-sized enterprises. The proportion raised to 25% in Kenya and Angola, and 40% in Taiwan, China.

3.0 RESEARCH METHODOLOGY

The research followed a descriptive design. The target population was made up of 2,546 SME owners and 15 Government officers. The research used a sample of 255 SME owners and 15 government officials chosen using simple random sampling technique and purposive sampling technique respectively. The researcher collected data using questionnaires and schedules for interviews. The study undertook a pre-test study in Samburu County using 26 SME owners (10 percent of the study) that were not in the sampled size of the study. The 26 SME owners were selected by simple random method. The study also interviewed 3 county government officer's secretaries in charge of SMEs in Samburu County selected by purposive sampling method. Measures were put in place for ensuring that pre-test study's owners of SMEs were not included in the study in actual data collection. The main study was able to collect both quantitative and qualitative data. Using descriptive analysis, the quality data obtained from open-ended questions was analyzed. Quantitative data analysis was performed using descriptive statistics such as frequencies, percentages, and means; and inferential statistics such as Pearson Correlation and Regression Processing, using SPSS Version 24.

4.0 FINDINGS AND PRESENTATION

4.1 Reliability statistics

The study established whether the research instruments used in the study were reliable enough to be able to measure effectively the general and the specific objectives of the study. To ensure reliability was applied, the study conducted pre-test study in Samburu County on the SMEs that were not included in the study. The total number of these SMEs were 26 in number. The 26 SME owners were selected by simple random method. The study also interviewed 3 county government officer's secretaries in charge of SMEs in Samburu County selected by purposive sampling method. Table 1 gives the results gotten.

Table 1: Reliability Statistics

Instrument	Cronbach's Alpha	N of Items
Questionnaire	0.88	26
Interview	0.73	3
Average	0.81	

Results from Table 1 showed that the pre- test on questionnaires had a Cronbach alpha coefficient value of 0.88 while interview guide had a Cronbach alpha coefficient value of 0.73. According to Sekaran (2006) the coefficient value of a reliable research instrument should be between 0.7 and 1.

4.2 Response rate

This study collected data through the use of questionnaires and interview guides as described in chapter three of this document. The sampled population included 255 SMEs and 15 government officials in charge of SMEs in Samburu county. It was the intention of the researcher to issue 255 SMEs were issued with questionnaires in which they were to answer and collected while 15 government officials were to be interviewed. The researcher issued the questionnaires as originally

planned but the responded questionnaires that were given back were 204 as compared to the 255-number issued. This response was approximately 80% response rate. On the interview side, out of the 15 potential interviewees, 12 of them were able to participate in the interview as scheduled. That meant that the interviews also garnered 80% response.

4.3 Background profiles of the respondents

The researcher very particular in assessing various respondent's information that would help in establishing the background that they posed in relation to the purpose of the study. The researcher inquired about the gender, age, academic qualification and how long the respondents had operated their SMEs. Table 2 gave the outcome.

Table 2: Background Information

Category	Frequency	Percent	Cumulative Percent
Gender			
Male	100	49	49
Female	104	51	100
Total	204	100	
Category	Frequency	Percent	Cumulative Percent
Age-			
Below 18	12	5	5
18-27 years	76	37	42
28-37 years	55	27	69
38-47 years	45	22	91
48 and above	16	9	100
Total	204	100	
Category	Frequency	Percent	Cumulative Percent
Academic Qualification			
No formal education	56	27	27
Primary school	55	26	53
Certificate	49	24	77
Diploma	30	15	92
Degree	11	6	98
Masters	3	2	100
PhD	0	0	0
Any other	0	0	0
Total	204	100	
Category	Frequency	Percent	Cumulative Percent
SME year of operation			
0-5 years	104	51	51
6-10 years	72	36	87
11-15 years	16	8	95
16-20 years	7	3	98
Over 21 years	5	2	100
Total	204	100	

The results indicated that there were more females who operated SMEs more than males. Females were 104(51%) while males were 100 (49%). These results could be attributed to the fact that the most men participated in pastoralism as a way of economic activity in Samburu County could be a reason why there were few males than female engaging in SMEs. A report by Kenyan National Bureau of Statistics (KNBS) (2017) proved also that labor force in Samburu County residents aged between 15-64 years comprised of 86,223 females and 83,432 males. This could be also a significant reason why the number of male people operating SMEs were fewer than female. It was noted that most SMEs owner's ages were between 18-27 years 76(37%). They were followed by 28-37 years who were 55(27%). SMEs operators who had less than 18 years were the last group with only 15(5%) individuals. This implied that majority were youth aged individuals and were of legal age.

This revelation meant that most young and middle-aged people were replacing their economic traditional ways and were significantly engaging in SMEs as a way to raise their economic status. Also, an encouraging revelation was that there were only 15(5%) SMEs owners who were under 18 years old. This meant that Samburu community was incorporating the idea of ensuring that young children that have not attained the legal age remained in school and not working as it was previously been experienced in Samburu County. Concurrently a report by Samburu County Government (2018) indicated that the number of primary school pupils (6-13 years) had increased from 56,663 in 2009 to 92,446 while secondary school students (13-17 years) had increased from 20,884 in 2009 to 34,072. True to that fact, this study confirmed that their numbers in SMEs were very low.

From the collected data in Table 2 majority of people operating SMEs in Samburu county did not have any formal education. They were 56 (27%). 55 of the SME owners had only primary school certificates and only 49 had other certificates apart from primary school certificate. Just 11 were graduate who had a degree and just 3 had a master's degree. This showed that the education level was urgently wanting since the SMEs operators did not have any solid educational background that was heavily required to run an SME. This fact also explains why half of their SMEs specifically 104(51%) had only been in existence for less than 5 years while only 28 of them had existed more than 10 years. This was a clear sign that though SMEs were being established, few survived beyond 5 economic cycles due to low educational level. Educational level played a significant role in running and managing an SME. When an SME operator had education, they were able to effectively manage finances and other resources that are critically needed for the survival of an SME. Acevedo and Tan (2010) expressed the same concerns about the link that existed between educational level of SMEs operators and the survival of SMEs programs in Latin America and Caribbean.

4.4 Descriptive statistics of procurement practices

The main objective of the study was to evaluate the influence of procurement practices by the county government in supporting SMES' growth in Samburu County. The SME owners were given closed ended questionnaire in which they were supposed to either strongly disagree (indicated by 1); disagree (indicated by 2); neutral (indicated by 3); agree (indicated by 3); and strongly agree (indicated by 4). Table 3 gave the results in procurement practices' section.

Table 3: Descriptive Statistics on Procurement Practices

Statements N=204	1	2	3	4	5	Mea n	Std Dev
Sourcing inputs from SMEs	6(2.9%)	22(10.8%)	0(0%)	38(18.6%)	138(67.6%)	4.85	0.364
Promotion of equal treatment of SMEs	0(0%)	10(1.0%)	2(1.2%)	22(10.8%)	170(83.3%)	4.68	0.779
Open access for SMEs to contract opportunities	2(1.0%)	18(8.8%)	0(0%)	32(15.7%)	152(74.5%)	4.87	0.510
Promotion of effective competition to SMEs	20(9.8%)	34(16.7%)	2(1.0%)	94(46.1%)	54(26.5%)	4.50	0.784
Allocation of funds for SMEs involved in procurement	0(0%)	24(11.8%)	4(2.0%)	104(51.0%)	72(35.3%)	4.58	0.748
Purchase and price preferences	22(10.8%)	50(4.8%)	4(2.0%)	98(48.0%)	30(14.7%)	4.58	0.748
Average Mean						4.68	0.660

SMEs owners were very conversant with this particular section and also very satisfied as far as this study was concerned. Procurement practices had the highest mean average of 4.68 and a standard deviation of 0.66. This was to confirm that procurement practices support from the county government had a significant impact towards contribution on the growth of their businesses over the last three years. They confirmed that in Samburu county, the government had allowed an open access for SMEs to contract opportunities. This statement had the highest mean of 4.87 and a standard deviation of 0.510. The respondents were in disagreement that there was promotion of effective competition to SMEs on the county. On a mean of 4.50 and standard deviation of 0.784, SMEs owners complained on limited efforts facilitated through county government to make sure that SMEs remained competitive as compared to other types of businesses.

In concurrent with the above statements, Asian Development Bank (2012) indicated that lack of government support to offer SMEs competitive platforms in the market was one of the inhibitors of SME development globally. This was due to the fact that SMEs on their own did not have

financial muscle to stand their ground when various harsh economic cycles rolled out as compared to other types of businesses. Lack of boost from the county government of Samburu had really affected the SMEs growth performance.

The first question inquired on the main issues affecting SMEs procurement in Samburu County. From the responses, the researcher was also categorized them into five themes. These were scarce of resources; lack of technology; lack of finances; bad economic environment; and political instability.

In the second question, the researcher inquired about measures put in place county offices to foster SMEs growth in the County. The measures that were current underway were reduction of various category of taxes charged on SMEs and sourcing of international markets. These two were responses given by half of the interviewees amongst other measures. World Bank (2016) agreed that public procurement in regulatory systems in 180 developing nations acted as an alternative to international markets. However, the place and role for international markets cannot be downplayed, it was very important for the survival of local SMEs in any nation.

The fourth question required respondents to describe the success rate of procurement measures in fostering SMEs growth. The four of the respondents co-jointly agreed that these measures were fairly effective. Only 2 officials indicated that it was very effective. According to Donor Committee for Enterprise Development (2017) policies developed by a government as one of the government strategies have a magnificent worth on SMEs development to a capacity that they can share the public procurement platform. Mbugua and Moronge (2016) supported the argument that effectiveness of government various strategies such as business development services were vital towards SMEs in Kenya.

4.5 SMEs growth in Samburu County

The researcher had interest in knowing the SMEs growth in Samburu county. This part was closely guided by various indicators of SMEs growth performance in chapter two. The SME owners were given closed ended questionnaire in which they were supposed to state whether there was a decrease in performance (indicated by 1), there was no change as depicted by static (indicated by 2) or there was an increase (indicated by 3). The results were given in Table 4

Table 4: Descriptive Statistics on SMEs Growth

Statements N=204	1	2	3	Mean	Std Dev
Employment growth (Number of employees)	7(3.4%)	19(9.3%)	178(87.3%)	2.84	.453
Sales growth (Sales Volume)	7(3.4%)	21(10.3%)	176(86.3%)	2.83	.460
Profit growth (percentage change)	19(9.3%)	124(60.8%)	61(29.9%)	2.21	.593
Physical growth (Number of new branches opened)	6(2.9%)	20(9.8%)	178(87.3%)	2.84	.438
Average Mean				2.68	0.49

From the results in Table 4 it was disheartening to note that SMEs growth performance was low. The growth had a mean of 2.68 and standard deviation of 0.49. In as much as employment had improved, it was still low. Employment growth had a mean of 2.84 and standard deviation of 0.453. An eye raising discovery was that despite sales growth having a higher mean of 2.83 and standard deviation of 0.460, the profit growth had the lowest mean of 2.21 and standard deviation of 0.593. This clearly explained the reason for low growth in Samburu county. SMEs were selling on average but the cost of doing business was so high in Samburu county. Mbugua and Moronge (2016) gave one reason that can cause low profits in an SME could be poor policies enacted by the government. Two years later Ombi et al. (2018) added another reason could be high operational costs especially on added fees from the government.

4.6 Regression Analysis

4.6.1 Model Summary

The researcher developed a procurement practices model summary to explain individually the level of linear relationship that existed between procurement practices and growth performance of SMEs in Samburu county. From the Table 5, R value was .801 while R-square value was .642. This was explained that procurement practices predicted 64.2 percent of growth performance variable.

Table 5: Procurement Practices Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.801 ^a	.642	.640	1.22512

a. Predictors: (Constant), procurement practices

4.6.2 Analysis of Variance on Procurement Practices

The regression coefficient of procurement practices was determined. These regression coefficients were useful in determining the hypothesis on this variable. The procurement practices had an hypothesis that stated that there was no statistical significant relationship between procurement practices by the county government and SMES' growth in Samburu County. The outcome was given in Table 6

Table 6: ANOVA Procurement Practices and Growth Performance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	0.043	1	0.043	5.428	0.006
	Residual	303.188	202	1.501		
	Total	303.230	203			

a. Dependent Variable: growth performance

b. Predictors: (Constant), procurement practices

Table 6 gave the significant p-value was 0.006. This being below than 0.05 enabled the researcher reject the null hypothesis that there was no statistically significant relationship between

procurement practices by the county government and SMES' growth in Samburu County. That is, procurement practices had a statistically significant relationship with growth performance.

4.6.3 Regression Coefficient

Regression coefficient was carried out to determine what were the coefficients of the variables. As indicated on Table 7, procurement practices had a $\beta=.098$, $p=0.001$. The outcome depicted that Table 7 indicates regression coefficients.

Table 7: Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	β	Std. Error	Beta		
(Constant)	12.276	.982		12.506	0.033
Procurement practices	0.098	.048	0.213	2.036	0.001

a. Dependent Variable: growth performance

b. Predictors: (Constant), procurement practices

The general model of the study was $Y = C + \beta_1PP + e$. Where Y was growth performance, PP was procurement practices and e were standard error. When the coefficients were replaced with analyzed values the general model was $Y = 12.276C + 0.098PP + 0.048e$. This showed that adding a unit of PP significantly added growth performance of SMEs in Samburu County by $12.276 + 0.098 + 0.048$.

5.0 SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary of the findings

The key objective of the study was to evaluate the influence of procurement practices by the county government in supporting SMES' growth in Samburu County. This objective had several specific indicators such as sourcing inputs from SMEs; promotion of equal treatment of SMEs; open access for SMEs for contract opportunities; promotion of effective competition to SMEs; allocating funds for SMEs involvement in procurement; purchase and price preferences. SMEs owners were very conversant with this particular section and also very satisfied as far as this study was concerned. Procurement practices had the highest mean average of 4.68 and a standard deviation of 0.66. This was to confirm that procurement practices support from the county government had a significant impact towards contribution on the growth of their businesses over the last three years. R value was .801 while R-square value was .642. This was explained that procurement practices predicted 64.2 percent of growth performance variable. Procurement practices had a $\beta=0.098$ and a p-value=0.001.

5.2 Conclusion

The procurement practices had a hypothesis that stated that there was no statistically significant relationship between procurement practices by the county government and SMES' growth in Samburu County. The analysis of variance of procurement practices' significant p-value was 0.006. This being below than 0.05 enabled the researcher reject the null hypothesis that there was no statistically significant relationship between procurement practices by the county government

and SMES' growth in Samburu County. That is, procurement practices had a very strong statistically significant relationship with growth performance.

5.3 Recommendations and Contributions of the Study

The study gathered from procurement practices variable that in Samburu county, the government had allowed an open access for SMEs to contract opportunities. SMEs owners however complained on limited efforts facilitated through county government to make sure that SMEs remained competitive as compared to other types of businesses. The study therefore recommended that providing access to contract would be more useful to SMEs owners if they had knowledge on how to place bids to stand a chance in winning the contracts hence more training was offered. There should be more public awareness on availability of these resources especially county government tenders. The study recommended also that county government should conduct more research on potential markets where SMEs owners can supply products to earn more profits.

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