



DETERMINANTS OF IMPLEMENTATION OF SPECIAL GROUP RESERVATION SCHEME BY PROCURING ENTITIES

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Abstract:

This paper aims to assess the determinants of the implementation of special group reservation schemes by procuring entities. The study used a mixed-methods approach, using both quantitative and qualitative methods. Qualitative information was gathered using techniques including interviews for the descriptive nature of the study, and quantitative data was gathered by questionnaire. Data was analyzed by both qualitative and quantitative techniques. Based on the analysis, the descriptive statistic shows that the majority of the respondents agreed with the statements that financial capacity, vendor quality index, and technical capacity play a great role in the special group reservation scheme in terms of increasing the number of contracts awarded to special groups, increasing value of contracts awarded to special groups, and increasing the percentage of special groups beneficiaries since the value of the mean scores is above the 3.63. These results imply that the capacity of special groups is one of the determinant factors influencing the implementation of special groups in public entities. Also, the capacity of the special group was found to have a positive influence on the implementation of the special group reservation scheme in public entities. About the significance of the variable, the findings show the value of the capacity of the special group in the implementation of a special group reservation scheme. The study recommends that the government should ensure sufficient allocation of financial resources, adequacy of equipment and technical competence, adequate physical facilities, high managerial capability, experience, and personnel to achieve a high level of implementation of the special group reservation scheme.

Keywords:

Special Groups, Special Group Reservation Scheme, Procuring Entity

1. Introduction

1.1. Background to the Study

A public entity in this study is referred to as a procuring entity, as well as any other unit or body that the government has allowed and mandated to carry out public tasks such as procurement. Governments can significantly affect trade configurations through their decisions in the public procurement process since public institutions are well-known actors in the modern economy. The governments have frequently utilized procurement processes as a vehicle to further their economic, environmental, and social goals. Additionally, it is common knowledge that governmental organizations have the biggest expenditures for purchasing a variety of goods and services. Both the public and private sectors may be significantly impacted by their expenditures for procurement-related operations.

In Tanzania, various changes have been made to the public procurement system and legal framework that was started to be instigated through the establishment of the Public Procurement Act (PPA) 2001 because of the Country Procurement Assessment Report (CPAR) of 1996. In 2016, the PPA of 2011 was amended to allow the provision of 30% of procurement contracts to youth, women, and persons with disabilities as a preference scheme for not only increasing their participation in public procurement but also improving their welfare (Tesha & Nsimbila, 2021). Hence, the government imposed certain policies to skew procurement opportunities in favor of specific special groups including youth, women, and people with disabilities (Peter Nduati Mwangi, 2017).

However, despite significant efforts made by various countries, including Tanzania, the chances for special groups to participate in public procurement remain limited as a result of procuring entities' failure to adopt reserved preference systems. Studies reveal that both developed and developing nations had low rates of application of special group reservation schemes in public procurement (Abednego Momanyi Oyugi, 2019). Due to this, despite numerous reforms made to assist them, it is difficult for special groups to take advantage of procurement opportunities in the public procurement markets.

Numerous studies have been conducted to examine the factors that affect the implementation of special group reservation schemes by procuring entities, whereby different factors such as awareness among special groups, information technology, professionalism, corruption, and legislative framework were found to have a significant impact on its implementation (Owiti, 2018). However, most of the studies focused on a few numbers of factors and also neglected some of the important determinants such as the capacity of special groups, internal compliance control, and organizational culture to establish a clear framework explaining the key factors for the implementation of preference schemes for special groups. Moreover, most of the studies were conducted using either qualitative or quantitative design creating room for an empirical test of mixed research design for results triangulation and comparison to the previous ones. Hence, this study intended to assess the determinants of the implementation of a special group reservation scheme by procuring entities to fill the existing empirical gap.

1.2. Objective of the Study

This study intended to assess the determinants of the implementation of special group reservation schemes by procuring entities, specifically on the influence of the capacity of special groups on the implementation of special group reservation schemes among the selected procuring entities in Dar es Salaam.

2. Literature Review

2.1. Theoretical Review

This part provides the details of the theory the study which guides this particular study namely institutional theory as explained hereunder: -

(Ryan J Orr and W Richard Scott, 2004) put up a theory of institution to support the rules regulating organizations' organizational culture. Institutions are made up of cultural, cognitive, and regulative components that give life its purpose when combined with related activities and resources. The thesis suggested regulatory, normative, and cultural cognitive institutions as the three pillars of institutions (Sutinen & Kuperan, 1999). The regulatory pillar places a strong emphasis on using regulations, laws, and sanctions as enforcement tools, with expediency serving as the foundation for compliance. The normative pillar discusses ideals that are preferred or desirable as well as rules for how things should be done, with social duty serving as the foundation for compliance. The cultural-cognitive pillar is supported by shared understanding, which includes shared values, symbols, and knowledge (Kartika et al., 2020).

This was the previous method for examining elements of public procurement. Institutional pillars, according to Scott (2004), are normative, culturally cognitive, and regulatory. Each pillar addressed a distinct topic, such as the employment of regulations, laws, and fines as an enforcement mechanism to be followed.

As it guides the implementation of sustainable procurement policy, regulatory According to (Ryan J Orr and W Richard Scott, 2004), institutions are made up of normative components and culturally cognitive ones, together with resources and activities that contribute to the meaning of life. framework, and practice in institutions that serve the public, the institutional theory is crucial. This is a question of corporate culture and the extent to which an organization's overall climate is conducive to sustainability and/or adherence to established regulations. The government has implemented several methods to improve compliance with procurement procedures. Institutions are responsible for ensuring that not only procurement officials, but the entire public service, conducts itself by the values and principles enshrined in the procurement legal framework and is thus geared toward promoting good procurement governance, according to (Kartika et al., 2020). Regarding the current study, this dimension entails how well organizational capability supports compliance with procurement requirements.

2.2. Empirical Literature Review

The descriptive study involved 150 participants from the Nakuru region. During the 2016–2017 fiscal year, the Kenyan government planned to spend Ksh 5 billion under the AGPO program to promote minority communities through public procurement reservation programs. Unfortunately, the study shows that the implementation was not used for the intended reasons and that the predicted quantity is still sitting in the paperwork. The study found that, among other issues, corruption, a lack of awareness among businesses serving special groups, a lack of knowledge about procurement practices, and a lack of confidence to take advantage of public procurement opportunities all hurt the implementation of reservation schemes in Kenya.

(Mary, 2016), conducted a cross-sectional survey of public entities located in Nairobi Kenya, on factors influencing special group participation in public procurement opportunities in Kenya. The results of the study demonstrate that information was a barrier that decreased special group involvement in procurement possibilities. The study also shows that technical and economic factors have a favorable impact on the engagement of specific groups. According to the survey, one of the biggest barriers to special groups in Kenya obtaining procurement possibilities was a lack of knowledge about the available options. The report suggests implementing an awareness-building program to increase special group awareness of the available procurement options.

(Owiti, 2018) conducts study on factors affecting the implementation of preference and reservation procurement policy in state corporations in Kenya: The 185 workers at the Kenya Railways Corporation headquarters in Nairobi, Kenya, were the intended audience. There were 63 workers in the sample. To forecast the link between the dependent variable and the independent variables, the study employed a multivariate regression model. The findings showed that the professionalism of the procurement staff and the legal framework have a positive and significant impact on how the preference and reservation scheme is implemented in State Corporations. The study also showed that organizational culture has a favorable and significant impact on how the preference and reservation Scheme is implemented in State Corporations. According to the study, Kenya Railways Corporation should make sure that their ICT infrastructure is compatible with those of the special group organizations they are targeting. Additionally, there is a need to increase the information's usability on web platforms offered by Kenya Railways.

Leticia (2018) conducted a study to determine the hindering factors on the implementation of special groups' reservation schemes in Tanzania a case of Arusha municipality council. 30 respondents from the municipality made up the study's sample size. A semi-structured questionnaire and an interview guide were used to collect the data. Self-administered questionnaires were used. Regression and correlation were used to examine quantitative data using both descriptive and inferential statistics. Tables and charts were used to present the findings of the quantitative data analysis. Utilizing content analysis, qualitative data was examined. According to the survey, procurement officials lack information regarding the implementation of the special reservation schemes.

(Mamiro, 2010) studied the hindrance issues affecting women's participation in public procurement in Tanzania indicated that the implementation of special groups' reservations schemes in Tanzania is significantly hampered by the lack of understanding among procurement entities about the chances for women to participate in public procurement opportunities as well as by a lack of financial support.

3. Methodology

The study used a mixed-methods approach, using both quantitative and qualitative methods. The study applied a judgmental sampling technique to select samples in these 3 procuring entities. This technique was used because it is simple and cheap which allowed the researcher to go directly to the target population of employees of interest. An optimum sample fulfills the requirements of efficiency, flexibility, and representativeness (McKittrick et al., 2019). The sample size for this study was 104 employees. This sample size is manageable and appropriate to produce reliable results, according to the general rule of thumb proposed by Hair, et al. (2013), who stated that to maintain power at .80 in multiple regression, requires a minimum of 50 and preferably 100 observations for most research situations. Hence, the sample size of this study was suitable for all statistical models used in this study. The sort of data the researcher wants to collect determines the best data collection technique (Hameed: Taherdoost, 2016). Based on the nature of the study to apply both quantitative and qualitative approaches, this study used only primary sources i.e. questionnaires and interviews for the primary data. The study used both descriptive statistics and the Pearson correlation technique to examine the quantitative data in this section, while content analysis was used to assess the qualitative data.

4. Results and Discussion

4.1. The Influence of Capacity of Special Groups on the Implementation of Special Group Reservation Scheme

The study was to examine the influence of the capacity of the special group on the special group reservation. The responses were as presented hereunder.

Table 1 Capacity of Special Group

Statements	N	Mean	Std. Deviation
Technical capacity practice plays a great role in increasing the number of contacts awarded to special groups	103	4.12	1.041
Technical capacity plays a great role in increasing the percentage of special group beneficiaries	103	4.04	.969
Vendor quality index plays a great role in increasing the percentage of special groups beneficiaries	103	4.01	1.116
Financial capacity plays a great role in increasing the number of contacts awarded to special groups	103	3.95	1.033
Vendor quality index plays a great role in increasing the number of contacts awarded to special groups	103	3.91	1.086
Financial capacity plays a great role in increasing the percentage of special group beneficiaries	103	3.90	1.192
Technical capacity plays a great role in increasing the value of contacts awarded to special groups	103	3.83	.818
Vendor quality index plays a great role in increasing the value of contacts awarded to special groups	103	3.69	.929
Financial capacity plays a great role in increasing the value of contacts awarded to special groups	103	3.63	.939
Valid N (listwise)	103		

Source: Researcher (2023)

Based on the analysis, the descriptive statistic shows that the majority of the respondents agreed with the statements that financial capacity, vendor quality index, and technical capacity play a great role in the special group reservation scheme in terms of increasing the number of contracts awarded to special groups, increasing value of contracts awarded to special groups, and increasing the percentage of special groups beneficiaries since the value of the mean scores is above the 3.63. These results imply that the capacity of special groups is one of the determinant factors influencing the implementation of special groups in public entities since the majority of respondents agreed with statements as shown in Table 1. The results are in tandem with (Annosi et al., 2022) who opine that an organization benefits greatly when the capacity of special groups is improved in their operations. The study (Owiti, 2018) who promotion, support training, and professional development for special groups who are engaged in public

procurement is a key mechanism to ensure effective implementation of special group reservation...In an interview, one of the respondents said that inadequate training of special groups in organizations has affected the implementation of 'preference and reservation regulations' among the youth. Effective implementation of special group reservation can be enhanced by the capacity building provided to both procurement staff and special groups... (Informants, 2023)

4.2. Pearson Correlation Analysis

This paper applied this model to test the relationship between the independent variable (Capacity of special group) and the dependent variable (special group reservation) and the results were as follows hereunder in Table 2

Table 2 Pearson Correlation Analysis

		Capacity of a special group	special group reservation
The capacity of a special group	Pearson Correlation	1	.712
	Sig. (2-tailed)		.040
	N	103	103
Special group reservation	Pearson Correlation	.712	1
	Sig. (2-tailed)	.040	
	N	103	103

Source: Researcher (2023)

In Table 2, the capacity of the special group was found to have a positive influence on the implementation of the special group reservation scheme in public entities (Beta= 0.712, P=0.000<0.05). This implies that a one-unit increase in the capacity of the special group leads to a 71.2% unit positive and significant influence in the implementation of the special group reservation scheme in public entities, with other factors, held constant. With regards to the significance of the variable, the findings show that the value of the capacity of the special group on the implementation of the special group reservation scheme was significant at less than 5% so, the alternative hypothesis was accepted, and the null hypothesis was rejected. The presented results concur with a study by (Abednego Momanyi Oyugi, 2019) who noted that the capacity of a special group significantly and positively influences the implementation of a special group reservation scheme.

5. Conclusion and Recommendation

Considering the result from both qualitative and quantitative data findings provides a meaningful intuition of the relationship between determinants and the implementation of a special group reservation scheme. Based on the analysis, the study concludes that the capacity of special groups such as financial capacity, vendor quality index, and technical capacity has a positive and significant influence on the implementation of the special group reservation scheme. This imply that the increase of capacity of special group such as financial capacity, vendor quality index, and technical capacity in public entities lead to an increase effective implementation of special group reservation scheme. From the research findings, analyses, discussions, and conclusions the following recommendation was generated about the implementation of a special group reservation scheme. The study recommended that the government should ensure sufficient allocation of financial resources, adequacy of equipment and technical competence, adequate physical facilities, high managerial capability, experience, and personnel to achieve a high level of implementation of a special group reservation scheme. The study recommended that government entities should embrace ascertaining financial and technical capacity; they should also embrace checking vendor quality index to gain first insights on quality fluctuations. If government entities embrace the checking capacity of special groups among their suppliers

then there will be cost reduction and the timing of delivery will improve. Lastly, the study recommended that the provision of access to vocational training should be implemented to seek to introduce to persons with disabilities, their families, and employers the wide range of vocational training and rehabilitation programs, including job attachment opportunities which the persons with disabilities can be involved in. this will curb the cultural perceptions of people for persons with disabilities.

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