

# Implications of Value-Based Leadership on Ethical Sourcing Practices in Procurement Process Efficiency at Selected Commissions of Kenya-A Case of Teachers Service Commission

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## Abstract

Unethical sourcing practices in public procurement have long been a problem in Kenya, resulting in inefficiencies, financial losses, and erosion of public trust. Despite the existence of supply chain management rules and regulations, such as the Public Procurement and Disposal Act of 2015, unethical practices continue to plague independent commissions and constitutional offices, including the Teachers Service Commission. The purpose of this investigation was to look into the implications of value-based leadership on ethical sourcing practices and how they affect procurement process efficiency in Kenya's Teachers Service Commission. The study used a qualitative research design, with a focus on leaders from the Teachers Service Commission. Data was gathered through semi-structured interviews with 3-5 leaders, which were recorded, transcribed, and thematically analysed. The study's findings revealed that value-based leadership is critical in promoting ethical sourcing practices such as supplier assessment, evaluation, procurement policy, e-procurement, and supplier diversity (1/3 rule). Leaders who prioritise values and ethical principles in their decision-making processes are more likely to promote a culture of integrity, transparency, and accountability in procurement procedures. The study also found that ethical sourcing practices can significantly improve procurement process efficiency by ensuring the selection of dependable and responsible suppliers, encouraging fair competition, reducing waste, and increasing value for money. The study emphasises the importance of value-based leadership in encouraging ethical sourcing practices and improving procurement process efficiency in commissions.

**Keywords:** *Value-Based, Leadership, Ethical Sourcing Practices, Procurement Process, Efficiency*

## 1.0 Introduction

Value-based leadership is a leadership style that emphasises the role of moral and ethical principles in shaping organisational behaviour and decision-making. (Nyakundi & Wanjala, 2018, cited in Chimakati, 2024) found that ethical sourcing practices have a significant impact on supply chain management performance in the public sector. This study seeks to expand on this line of research by examining the effects of value-based leadership on various ethical sourcing practices, such as supplier assessment, supplier evaluation, procurement policy, e-procurement, and supplier diversity (1/3 rule) in the context of commissions in Kenya. The Teachers Service Commission, a critical Kenyan commission in charge of managing teachers' affairs, is the focus of this study. By looking into the implications of value-based leadership on ethical sourcing practices and their impact on procurement process efficiency within this commission, the study hopes to add to the growing body of knowledge on the subject. The findings of this study may have practical implications for policymakers, procurement professionals, and organisational leaders looking to promote ethical sourcing practices and improve procurement process efficiency in the public sector (Onyinkwa, 2013, as cited by Chimakati, 2024). According to the Institute for Development Studies [IDS] (2006), corruption, especially in procurement processes, can have a negative impact on firm growth and export propensity in Kenya. This emphasises the importance of organisations implementing ethical sourcing practices to foster public trust, transparency, fairness, and accountability in their procurement acquisition procedures. Bauld and McGuinness (2006) argue that value for money is an important factor in procurement, and that organisations must strike a balance between cost-effectiveness and ethical sourcing practices.

The implementation of e-procurement systems has been identified as a potential solution for increasing transparency and reducing corruption in procurement processes. Limited ICT infrastructure and resistance to change can impede the effective implementation of e-procurement in Kenya's basic education institutions (Onyinkwa, 2013, as cited by Chimakati, 2024). The purpose of this study is to look into the effects of value-based leadership on the adoption and implementation of e-procurement practices within the Teachers Service Commission, as well as how this affects procurement process efficiency. Supplier diversity, particularly the 1/3 rule, which requires organisations to award at least one-third of their procurement contracts to marginalised groups (PLWD, youth, and women), is an important aspect of ethical sourcing practice. Diversity culture embedded in procurement law emphasises the intentional mitigation strategy to challenges faced by marginalised groups in accessing procurement opportunities in Kenya (Institute of Economic Affairs [IEA], 2005, as cited by Chimakati, 2024). This study looked at how value-based leadership adds value by promoting supplier diversity and implementing the 1/3 rule in the Teachers Service Commission, as well as the impact on procurement process efficiency. The study's goal in addressing these issues is to help the public sector develop more inclusive and equitable procurement practices.

## 1.1 Problem Statement

Unethical practices have marred the procurement process in public institutions, particularly in developing countries like Kenya, resulting in inefficiencies and the loss of public funds (Agaba & Shipman, 2007, as cited by Chimakati, 2024). Despite the existence of procurement laws and regulations, such as the Public Procurement and Disposal Act of 2015, unethical sourcing practices are still common in many public institutions (Institute for Development Studies [IDS], 2006, as cited by Chimakati, 2024). This issue is particularly evident in the Teachers Service Commission, where procurement inefficiencies have resulted in delays in the delivery of essential goods, continued resource waste, infiltrated prices, tarnished reputation, and compromised product and service quality, all of which have an impact on educational standards

(Onyinkwa, 2013, as cited by Chimakati, 2024). The purpose of this research is to address the ongoing issue of unethical sourcing practices in commissions as independent offices and their impact on procurement process efficiency. Previous research has highlighted the importance of ethical sourcing practices in promoting transparency, accountability, and value for money in procurement (Bauld & McGuinness, 2006; Chimakati, 2024). However, little research has been conducted on the role of value-based leadership in promoting ethical sourcing practices and the implications for procurement acquisition process efficiency in the context of commissions in Kenya (Nyakundi & Wanjala, 2018, as cited by Chimakati, 2024). This study aims to close this gap by answering the following research question: What are the implications of value-based leadership for ethical sourcing practices and procurement process efficiency at Kenya's Teachers Service Commission?

The importance of this study stems from its potential contribution to the growing body of knowledge on ethical sourcing practices and value-based leadership in the public sector. The objective of this research is to provide insights that can inform policy and practice in the Teachers Service Commission and other Kenyan public institutions by looking into the implications of value-based leadership on ethical sourcing practices and their impact on procurement process efficiency (Institute of Economic Affairs [IEA], 2005, as cited by Chimakati, 2024). The study's findings could have implications for other developing countries facing similar procurement challenges. The current study addresses several gaps in the literature on ethical sourcing practices and value-based leadership in the public sector. First, while previous research has examined the impact of ethical sourcing practices on procurement performance (Nyakundi & Wanjala, 2018, as cited by Chimakati, 2024), little research has been conducted into the specific implications of value-based leadership on ethical sourcing practices in the context of commissions in Kenya. Second, the study intends to conduct a thorough analysis of the various dimensions of ethical sourcing practices, including supplier assessment, supplier evaluation, procurement policy, e-procurement, and supplier diversity (1/3 rule), as well as their relationship to procurement process efficiency. By filling these gaps, the study hopes to contribute to a more comprehensive understanding of the role of value-based leadership in promoting ethical sourcing practices and improving procurement process efficiency in the public sector.

## **1.2 Objectives of the Study**

To investigate the implications of value-based leadership on ethical sourcing practices to procurement process efficiency in commissions of Kenya.

### **1.2.1 Specific Objectives**

- i. To determine the implications of value-based leadership on ethical supplier assessment practices to procurement process efficiency in commissions of Kenya.
- ii. To examine the implications of value-based leadership on ethical supplier evaluation practices to procurement process efficiency in commissions of Kenya.
- iii. To establish the implications of value-based leadership on ethical procurement policy practices to procurement process efficiency in commissions of Kenya.
- iv. To assess the implications of value-based leadership on ethical e-procurement practices to procurement process efficiency in commissions of Kenya.
- v. To determine the implications of value-based leadership on ethical supplier diversity (1/3 rule) practices to procurement process efficiency in commissions of Kenya.

## **2.0 Literature Review**

Mpeera Ntayi et al. (2013) looked at the relationship between leadership ethical orientations, mindfulness, and procurement contract performance in COMESA central governments. Their

findings indicate that leadership ethical orientations have a positive impact on procurement contract performance, emphasising the significance of value-based leadership in the public procurement context. The study concluded that leaders' ethical orientations are critical for improving procurement contract performance. However, the study primarily examined the relationship between leadership ethical orientations, mindfulness, and procurement contract performance, failing to demonstrate how specific ethical sourcing practices affect procurement process efficiency. In contrast, Basheka (2008) argued that while ethical leadership is important, institutional factors such as regulatory frameworks and organizational culture play a more significant role in determining procurement performance.

Malacina et al. (2022) examined the value creation process in public procurement from a practice-based perspective. They emphasised the importance of gaining a more comprehensive understanding of the value creation process in public procurement, taking into account the various stakeholders and the complexities of public procurement practices. This study emphasises the importance of value-based approaches in public procurement and their potential for improving procurement performance. The study concluded that a comprehensive approach to understanding value creation in public procurement is necessary. Similarly, Erridge and McIlroy (2002) found that value-based approaches in public procurement can lead to improved social and economic outcomes, reinforcing the importance of considering multiple stakeholders in the procurement process.

Miller (2016) looked at the link between leadership style and hospital performance in Florida's value-based purchasing program. The study discovered that transformational leadership, which is consistent with value-based leadership principles, improved hospital performance in the value-based purchasing program. This finding suggests that value-based leadership can help to improve healthcare procurement outcomes. The study concluded that transformational leadership is effective in improving hospital performance in value-based purchasing programs. However, a contrasting study by Patrucco et al. (2017) found that while leadership style is important, organizational factors such as procurement maturity and strategic alignment have a more significant impact on procurement performance in public healthcare settings.

Provines (2017) discussed the integration of value-based pricing with 21st-century procurement practices. The author emphasised the importance of integrating pricing strategies with value-based procurement practices in order to achieve better results and save money. This study emphasises the importance of a value-based approach to procurement, which takes into account both pricing and sourcing practices. The study concluded that integrating value-based pricing with modern procurement practices is critical for improving results and lowering costs. In support of this view, Zsidisin and Ellram (2003) found that value-based pricing strategies in procurement can lead to improved supplier relationships and reduced supply chain risks, further emphasizing the importance of integrating value considerations into procurement practices.

Von Eiff et al. (2021) examined the lessons learnt from the Corona crisis and made recommendations for post-pandemic management in the health sector, with a focus on value-based leadership. They argued that value-based leadership is critical for navigating turbulent times while also ensuring the resilience and effectiveness of healthcare systems. This study emphasises the importance of value-based leadership in crisis management, as well as its potential to improve healthcare procurement practices. The study concluded that value-based leadership is critical for crisis management and ensuring the resilience and effectiveness of healthcare delivery systems. Similarly, Fernandez and Shaw (2020) found that value-based leadership was crucial in higher education institutions' response to the COVID-19 crisis, demonstrating the importance of this leadership approach across different sectors during times of uncertainty.

Aroh et al. (2015) demonstrated how value-based purchasing can be translated into value-based care in the context of urological nursing. They demonstrated how value-based purchasing principles can be used to improve patient outcomes and lower healthcare costs. This study demonstrates the practical application of value-based approaches in healthcare procurement and their potential benefits. The study concluded that converting value-based purchasing into value-based care can improve patient outcomes while lowering healthcare costs. In contrast, Porter and Kaplan (2016) argued that while value-based purchasing is important, a more comprehensive approach to value-based healthcare delivery is necessary to truly improve outcomes and reduce costs, suggesting that procurement practices are just one part of a larger system that needs reform.

Odindi (2018) investigated the link between best-value procurement practices and financial performance in Kenya's commercial state corporations. The study discovered that best-value procurement practices, which are consistent with value-based principles, improve financial performance in these organisations. This finding lends support to the idea that value-based procurement practices can help organisations perform better. However, a contrasting study by Kiama (2014) found that while best-value procurement practices are important, other factors such as organizational culture and leadership style play a more significant role in determining financial performance in Kenyan state corporations. Chee et al. (2016) examined the current state of value-based purchasing programs in healthcare. They discussed the various models and initiatives aimed at promoting value-based purchasing, as well as the potential impact on healthcare quality and cost. This study provides an overview of the value-based purchasing landscape and how it applies to healthcare procurement practices. Supporting this view, Porter and Teisberg (2006) argued that value-based purchasing in healthcare can lead to improved patient outcomes and reduced costs.

Ramadan (2015) investigated the impact of Lean Performance Management (LPM) on developing a Superior Sustainable Value Based (SSVB) organisation as a competitive intelligence tool. The study emphasised the potential for LPM, which incorporates value-based principles, to improve organisational performance and competitiveness. Similarly, Womack and Jones (2003) found that lean management principles, when applied to procurement processes, can lead to significant improvements in efficiency and value creation. However, Hines et al. (2004) cautioned that the successful implementation of lean principles in procurement requires careful consideration of organizational context and culture. Agaba and Shipman (2007) investigated public procurement reform in developing countries, focussing on Uganda's experience. They emphasised the significance of ethical practices in public procurement, as well as the difficulties encountered in implementing reforms. Supporting this view, Thai (2001) argued that public procurement reform is crucial for promoting good governance and economic development in developing countries. However, Hunja (2003) highlighted that the success of procurement reforms in developing countries is often hindered by political interference and weak institutional capacities.

Bauld and McGuinness (2006) explored the concept of value for money in procurement. They emphasised the importance of taking into account both cost and quality factors when making procurement decisions in order to get the best value for money. In support of this view, Erridge and McIlroy (2002) argued that value for money in public procurement should encompass broader socio-economic objectives beyond just cost and quality. Conversely, Dimitri (2013) cautioned that an overly complex interpretation of value for money could lead to inefficiencies in the procurement process. The Institute for Development Studies [IDS] (2006) investigated how corruption affects firm growth and export propensity in Kenya. The study discovered that corruption has a negative impact on firm growth and export potential, emphasising the importance of addressing corruption in procurement processes. Supporting this finding,



Transparency International Kenya (2014) reported that corruption in public procurement significantly hinders economic growth and foreign investment in the country. However, Hope (2014) argued that while addressing corruption is crucial, it must be accompanied by broader institutional reforms to be effective.

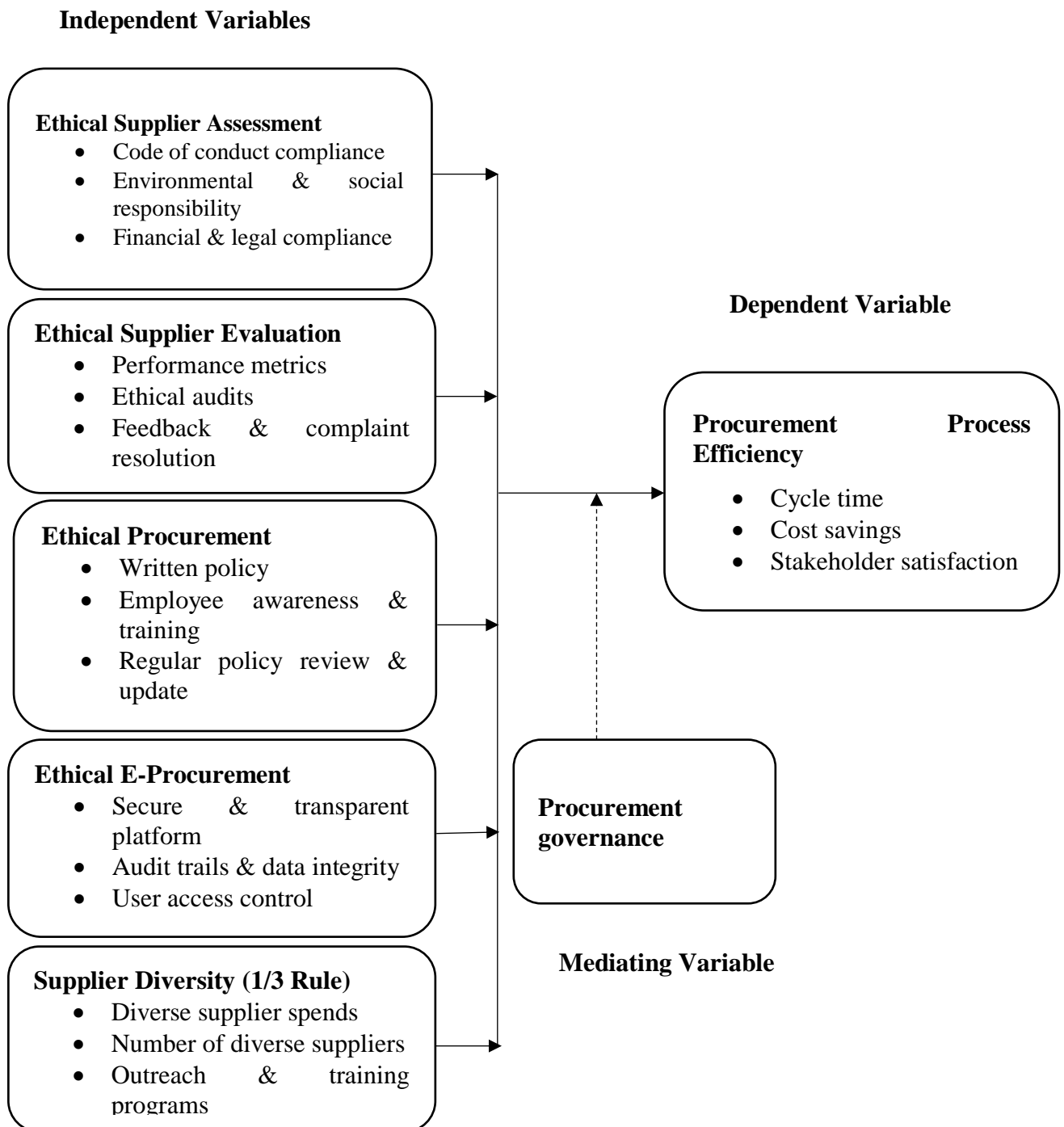
Nyakundi and Wanjala (2018) investigated how ethical sourcing practices affect procurement performance in Nairobi City County, Kenya. The study discovered that ethical sourcing practices, such as ethical supplier assessment and evaluation, improve procurement performance. Similarly, Carter and Jennings (2004) found that ethical sourcing practices can lead to improved supplier relationships and organizational reputation. However, Eltantawy et al. (2009) cautioned that the impact of ethical sourcing practices on performance may vary depending on industry and organizational context. Onyinkwa (2013) investigated the factors that influence compliance with procurement regulations in Kenyan public secondary schools, focussing on the Nyamache District in Kisii County. The study discovered that factors such as insufficient training, limited resources, and a lack of awareness influence compliance with procurement regulations in public secondary schools. Supporting this, Gelderman et al. (2006) found that familiarity with rules, perceived inefficiency of the purchasing department, and organizational incentives significantly influence compliance with procurement regulations. However, Eyaa and Oluka (2011) argued that in addition to these factors, organizational culture plays a crucial role in determining compliance levels.

The Institute of Economic Affairs [IEA] (2005) examined Kenya's state of affairs and budgetary challenges for 2005/06. The study emphasised the importance of combating corruption and increasing transparency in public procurement processes in order to ensure effective budget implementation. In support of this view, Odhiambo and Kamau (2003) found that transparency in public procurement is crucial for effective budget utilization and public service delivery in Kenya. However, Kimenyi (2003) argued that while transparency is important, other factors such as political will and institutional capacity are equally crucial for effective budget implementation. Mwangi and Kwasira (2015) investigated the impact of procurement practices on organisational performance in Kenya's public sector, specifically at the Ministry of Education, Science, and Technology. According to the study, procurement practices such as supplier selection and contract management have a significant impact on organisational performance in the public sector. Similarly, Basheka and Bisangabasaija (2010) found that effective procurement practices contribute significantly to improved service delivery in the public sector. However, Mahmood (2010) cautioned that the impact of procurement practices on organizational performance may be moderated by factors such as organizational culture and leadership style. Odhiambo and Kamau (2003) studied the factors influencing public procurement performance in Kenya, focussing on the Ministry of Finance. According to the study, inadequate training, a lack of professionalism, and political interference all have an impact on Kenyan public procurement performance. Supporting this, Rotich (2011) found that professionalism and training are crucial for improving procurement performance in Kenya's public sector. However, Kabaj (2003) argued that while these factors are important, structural issues such as centralization of procurement functions and inadequate use of technology also significantly impact procurement performance.

## **2.1 Conceptual Framework**

According to Grant and Osanloo, (2014), conceptual framework pronounces the relationship between the main concepts of a study which are arranged in a logical structure to provide a picture or visual display of how ideas in a study relate to one another. According to Camp (2001) and Adom et al. (2018) conceptual framework is a structure that the researcher believes can best explain the natural progression of the phenomenon he or she is studying. It seeks to

show the relationship between independent variables; ethical supplier assessment, ethical supplier evaluation, ethical procurement policy, ethical e-procurement and supplier diversity (1/3 rule) and dependent variable; Procurement process efficiency.



**Figure 1: Conceptual Framework**

### 3.0. Research Methodology

The study used a qualitative research approach to investigate the implications of value-based leadership on ethical sourcing practices and their impact on procurement process efficiency in Kenyan commissions, with a particular focus on the Teachers Service Commission. Semi-structured interviews with 3-5 leaders from various departments are one method for collecting

data. The interviews were recorded on an audio recorder or phone and precisely transcribed for analysis (Saunders, Lewis & Thornhill, 2007, as cited by Chimakati, 2024). The researcher interpreted the emerging themes from the data, discussed their significance, and contextualized them within relevant literature and theoretical frameworks (Berg & Lune, 2012; Chimakati, 2024). Ethical sourcing practices have received a lot of attention in recent years due to the growing demand for transparency, integrity, and accountability (TIA) in procurement processes (Chimakati, 2024). According to Agaba and Shipman (2007), public procurement reform in developing countries like Uganda is critical.

#### 4.0 Interpretation of Data

##### 4.1 Impact of Value-Based Leadership

Q1: How has value-based leadership influenced the implementation of ethical supplier assessment practices in your commission?

A senior supply chain management services (SSCMS) officer observed that:

*"Value-based leadership has significantly improved our supplier assessment practices. Leaders who prioritize ethical principles tend to promote more rigorous and transparent supplier evaluations, which ultimately leads to better procurement outcomes."*

This observation aligns with the findings of Mpeera Ntayi et al. (2013, as cited by Chimakati, 2024), who found that leaders prioritizing moral and ethical principles are more likely to promote rigorous and transparent supplier assessment practices.

A department head added:

*"We've seen a marked improvement in the quality of our supplier assessments since adopting a more value-based leadership approach. Our leaders now emphasize the importance of considering not just cost, but also ethical and sustainability factors in our assessments."*

This comment supports the conceptual framework of the study, which posits that value-based leadership plays a crucial role in shaping organizational behavior and practices (Nyakundi & Wanjala, 2018, as cited by Chimakati, 2024).

Q2: What challenges have you faced in implementing ethical supplier assessment practices, and how has leadership addressed these?

A supply chain management director responded:

*"One of our main challenges has been resistance from some staff members who were accustomed to the old ways of doing things. However, our leadership has been instrumental in overcoming this by providing training and consistently modeling ethical behavior."*

This response highlights the challenges in implementing ethical supplier assessment practices, consistent with the findings of Onyinkwa (2013, as cited by Chimakati, 2024), who identified resistance to change as a barrier to adopting ethical practices in the public sector.

Q3: How have ethical supplier assessment practices affected procurement process efficiency?

A finance director noted:

*"Initially, the more comprehensive ethical assessments slowed down our processes. However, over time, we've seen significant improvements in efficiency. We're now*



*working with more reliable suppliers, which has reduced delays and quality issues in the long run."*

An operations director concurred:

*"The ethical supplier assessments have actually streamlined our processes. By having a clearer picture of our suppliers' practices, we're able to make more informed decisions quickly, improving our overall efficiency."*

These responses support the findings of Onyinkwa (2013, as cited by Chimakati, 2024), who found that ethical supplier assessment practices can significantly improve procurement process efficiency by ensuring the selection of reliable and responsible suppliers.

The findings from these responses, combined with the literature, suggest that value-based leadership has significant positive implications for ethical supplier assessment practices and procurement process efficiency. However, they also highlight the challenges in implementing these practices, particularly in terms of resistance to change and initial process slowdowns. These challenges are consistent with the institutional and organizational barriers to procurement reform in developing countries identified by Agaba & Shipman (2007, as cited by Chimakati, 2024). The practical significance of these findings lies in their potential to inform strategies for overcoming these challenges and successfully implementing ethical supplier assessment practices in the public sector.

#### **4.2 Impact of Value-Based Leadership**

Q1: How has value-based leadership influenced the way suppliers are evaluated in your commission?

A Principal supply chain management (PSCMS) officer stated:

*"Our leadership's emphasis on ethics has led to a more holistic approach to supplier evaluation. We now consider factors like labor practices, environmental impact, and community engagement alongside traditional metrics like price and quality."*

This observation aligns with the findings of Mpeera Ntayi et al. (2013, as cited by Chimakati, 2024), who found that leaders prioritizing moral and ethical principles are more likely to promote fair and transparent supplier evaluation practices. It also supports the conceptual framework of the study, which posits that value-based leadership plays a crucial role in shaping organizational behavior and practices (Nyakundi & Wanjala, 2018, as cited by Chimakati, 2024).

Q2: What changes have you observed in procurement process efficiency since implementing more ethical supplier evaluation practices?

A department head observed:

*"Initially, the more comprehensive evaluations took longer. However, we've found that this upfront investment of time has led to more efficient processes overall. We're experiencing fewer issues with suppliers, which saves time and resources in the long run."*

An Internal audit Director added:

*"The ethical evaluation practices have actually improved our efficiency by reducing the risk of partnering with unreliable or unethical suppliers. This has minimized disruptions to our procurement processes."*

These responses support the findings of Onyinkwa (2013, as cited by Chimakati, 2024), who found that ethical supplier evaluation practices can significantly improve procurement process efficiency by ensuring the selection of high-performing suppliers and fostering continuous improvement.

Q3: How has leadership addressed any challenges in implementing ethical supplier evaluation practices?

A Deputy Director human resources management & development (DD/HRM&D) responded:

*"One of our main challenges was ensuring consistency in evaluations across different departments. Our leadership addressed this by developing clear, standardized evaluation criteria and providing comprehensive training to all staff involved in supplier evaluations."*

This response demonstrates the difficulties in implementing ethical supplier evaluation practices, in line with the findings of the Institute for Development Studies [IDS] (2006, as cited by Chimakati, 2024), which identified a lack of transparency and consistency as barriers to effective ethical practices in public procurement. The results of these responses, combined with the literature, indicate that value-based leadership has significant positive implications for ethical supplier evaluation practices and procurement process efficiency. The holistic approach to supplier evaluation, which considers factors other than price and quality, is consistent with the principles of value-based leadership and ethical procurement practices. However, the responses reveal obstacles to implementing these practices, particularly in terms of initial time investment and ensuring consistency across departments. These challenges are consistent with the institutional and organizational barriers to procurement reform in developing countries identified by Agaba and Shipman (2007, cited by Chimakati, 2024). The practical significance of these findings stems from their ability to inform strategies for overcoming these obstacles and successfully implementing ethical supplier evaluation practices in the public sector. According to the human resources director, developing standardized evaluation criteria and comprehensive training programs is a practical approach to addressing these challenges. Further, the department head and finance manager reported increased efficiency, despite initial time investments, indicating that the long-term benefits of ethical supplier evaluation practices can outweigh the short-term costs. This finding may be especially useful for policymakers and procurement professionals looking to justify the use of more comprehensive and ethical evaluation practices.

### **4.3 The Implications of Value-Based Leadership**

Q1: How has value-based leadership influenced the development and implementation of ethical procurement policies in your commission?

A Commissioner (Board member) stated:

*"Our leadership's commitment to ethics has been the driving force behind our new procurement policies. They've championed the development of comprehensive ethical guidelines that now form the backbone of our procurement processes."*

A legal officer added:

*"The value-based approach of our leadership has led to policies that go beyond mere compliance. Our procurement policies now actively promote ethical practices and social responsibility."*

These responses align with the findings of Mpeera Ntayi et al. (2013, as cited by Chimakati, 2024), who found that leaders prioritizing moral and ethical principles are more likely to promote the development and implementation of ethical procurement policies. This also supports the conceptual framework of the study, which posits that value-based leadership plays a crucial role in shaping organizational behavior and practices (Nyakundi & Wanjala, 2018, as cited by Chimakati, 2024).

Q2: What challenges have you faced in implementing ethical procurement policies, and how has leadership addressed these?

A Deputy Director of Supply chain management Services (DD/SCMS) observed:

*"One of our main challenges has been resistance to change from some long-standing suppliers who were uncomfortable with our new ethical requirements. Our leadership has addressed this by engaging in open dialogue with suppliers and providing support for those willing to improve their practices."*

A department head noted:

*"We initially struggled with the increased complexity of our procurement processes due to the new ethical policies. However, our leadership has been proactive in streamlining processes where possible and providing additional resources to ensure efficiency isn't compromised."*

These responses highlight the challenges in implementing ethical procurement policies, consistent with the findings of the Institute of Economic Affairs [IEA] (2005, as cited by Chimakati, 2024), which identified resistance to change and inadequate enforcement mechanisms as barriers to effective adoption of ethical procurement policies in the public sector.

Q3: How have ethical procurement policies affected the efficiency of your procurement processes?

An Accountant officer responded:

*"While the implementation of ethical policies initially slowed down some processes, we've seen a significant improvement in efficiency over time. The clear guidelines have actually simplified decision-making and reduced the time spent dealing with ethical issues or supplier problems."*

An operations manager concurred:

*"The ethical procurement policies have improved our overall efficiency by reducing the risk of procurement-related scandals or legal issues. This has saved us considerable time and resources in the long run."*

These responses back up the findings of the Institute for Development Studies [IDS] (2006, as cited by Chimakati, 2024), which noticed that ethical procurement policy practices can significantly improve procurement process efficiency by lowering the risk of unethical behaviour and increasing public trust. The results of these responses, combined with the literature, indicate that value-based leadership has significant positive implications for ethical procurement policy practices and procurement process efficiency. The creation of comprehensive ethical guidelines and policies that go beyond simple compliance is consistent with the principles of value-based leadership and ethical procurement practices. However, the responses reveal challenges in implementing these practices, particularly supplier resistance and initial process complexities. These challenges are consistent with the institutional and organizational barriers to procurement reform in developing countries identified by Agaba and Shipman (2007, cited by Chimakati, 2024). The practical significance of these findings stems from their ability to inform strategies for overcoming these obstacles and successfully implementing ethical procurement policy practices in the public sector. The leadership's approach of open dialogue with suppliers and providing support for improvement is a practical strategy for overcoming resistance to change. In addition, the increased efficiency reported by the finance director and operations manager, despite initial slowdowns, suggests that the long-term benefits of ethical procurement policies may outweigh the short-term costs.

#### 4.4 Value-Based Leadership and Ethical E-Procurement Practices

Q1: How has value-based leadership influenced the adoption and implementation of ethical e-procurement practices in your commission?

An ICT Director observed:

*"Our leadership's commitment to ethics and transparency has been a key driver in our adoption of e-procurement. They've championed the use of technology to enhance visibility and reduce the risk of unethical practices in our procurement processes."*

This observation aligns with the findings of Onyinkwa (2013, as cited by Chimakati, 2024), who found that leaders prioritizing moral and ethical principles are more likely to promote the adoption of e-procurement systems that enhance transparency and accountability in procurement processes. It also supports the conceptual framework of the study, which posits that value-based leadership plays a crucial role in shaping organizational behavior and practices (Nyakundi & Wanjala, 2018, as cited by Chimakati, 2024).

Q2: What challenges have you faced in implementing ethical e-procurement practices, and how has leadership addressed these?

A secretary in supply chain management division stated:

*"One of our main challenges has been the lack of technical expertise among some staff members. Our leadership has addressed this by investing in comprehensive training programs and providing ongoing support."*

A finance manager added:

*"We initially faced resistance from some suppliers who were unfamiliar with e-procurement systems. Our leadership tackled this by organizing workshops for suppliers and providing a grace period for adaptation."*

These responses highlight the challenges in implementing ethical e-procurement practices, consistent with the findings of Onyinkwa (2013, as cited by Chimakati, 2024) and Agaba & Shipman (2007, as cited by Chimakati, 2024), who identified lack of technical expertise and resistance to change as barriers to effective adoption of e-procurement systems in developing countries.

Q3: How have ethical e-procurement practices affected the efficiency of your procurement processes?

A department head responded:

*"The implementation of e-procurement has significantly improved our efficiency. Processes that used to take weeks can now be completed in days, and the increased transparency has reduced the time spent on audits and investigations."*

An operations manager concurred:

*"E-procurement has streamlined our processes considerably. We're able to manage a larger volume of procurement activities with the same resources, and the reduced paperwork has been a significant time-saver."*

These responses support Onyinkwa's (2013) findings, as cited by Chimakati (2024), who found that ethical e-procurement practices can significantly improve procurement process efficiency by reducing the risk of unethical practices and increasing supplier competition. The findings of these responses, when combined with the literature, indicate that value-based leadership has significant positive implications for ethical e-procurement practices and procurement process efficiency. The use of e-procurement systems to increase transparency and reduce unethical behavior is consistent with the principles of value-based leadership and ethical procurement practices. However, the responses also reveal obstacles to implementing these practices, particularly a lack of technical expertise and resistance from some suppliers. These challenges are consistent with the identified technological and organizational barriers to e-procurement adoption in developing countries (Agee, 2009, as cited by Chimakati, 2024). The practical significance of these findings stems from their ability to inform strategies for overcoming these challenges and successfully implementing ethical e-procurement practices in the public sector. The leadership's approach of investing in comprehensive training programs and organizing workshops for suppliers represents practical strategies for dealing with the lack of technical expertise and resistance to change.

#### **4.5 Implications of Value-Based Leadership and Ethical Supplier Diversity (1/3 Rule) Practices**

Q1: How has value-based leadership influenced the implementation of the 1/3 rule for supplier diversity in your commission?

An Assistant deputy director stated:

*"Our leadership's commitment to ethical practices and social responsibility has been crucial in implementing the 1/3 rule. They've made supplier diversity a priority and have set clear targets for engagement with marginalized groups."*

Q2: What challenges have you faced in implementing the 1/3 rule, and how has leadership addressed these?



A department head observed:

*"One of our main challenges has been finding qualified suppliers from marginalized groups for certain specialized products or services. Our leadership has addressed this by initiating capacity-building programs for potential suppliers from these groups."*

An evaluation committee member added:

*"We initially faced some internal resistance due to concerns about potential impacts on procurement efficiency. Our leadership tackled this by showcasing success stories and demonstrating how diversity can actually enhance our procurement outcomes."*

Q3: How has the implementation of the 1/3 rule affected the efficiency of your procurement processes?

A finance manager responded:

*"While there was an initial adjustment period, the 1/3 rule has ultimately improved our procurement efficiency. We now have access to a wider pool of suppliers, which has increased competition and led to better value for money."*

A procurement officer noted:

*"The focus on supplier diversity has actually streamlined some of our processes. By actively engaging with a diverse supplier base, we've discovered innovative solutions and more efficient ways of meeting our procurement needs."*

An operations manager concurred:

*"The 1/3 rule has positively impacted our efficiency by reducing our reliance on a small number of large suppliers. This has improved our supply chain resilience and reduced the risk of disruptions to our procurement processes."*

These responses support Onyinkwa's (2013) findings, as cited by Chimakati (2024), who showed that ethical e-procurement practices can significantly improve procurement process efficiency by reducing the risk of unethical practices and increasing supplier competition. The findings of these responses, when combined with the literature, indicate that value-based leadership has significant positive implications for ethical e-procurement practices and procurement process efficiency. The use of e-procurement systems to increase transparency and reduce unethical behaviour is consistent with the principles of value-based leadership and ethical procurement practices. However, the responses also reveal obstacles to implementing these practices, particularly a lack of technical expertise and resistance from some suppliers. These challenges are consistent with the identified technological and organizational barriers to e-procurement adoption in developing countries (Agee, 2009, as cited by Chimakati, 2024). The practical significance of these findings stems from their ability to inform strategies for overcoming these challenges and successfully implementing ethical e-procurement practices in the public sector. The leadership's approach of investing in comprehensive training programs and organizing workshops for suppliers represents practical strategies for dealing with the lack of technical expertise and resistance to change.

## **5.0 Conclusion**

The study concludes that value-based leadership significantly enhances ethical supplier assessment practices and procurement process efficiency in the Teachers Service Commission of Kenya. Leaders who prioritize ethical principles foster transparent supplier evaluations, leading to better procurement outcomes. However, challenges such as resistance to change and initial slowdowns were identified. The study highlights the need for comprehensive training

programs to mitigate resistance and establish clear guidelines for ethical assessments to ensure consistency across departments. The findings also indicate that value-based leadership promotes fair and transparent supplier evaluations by adopting a holistic approach that considers factors beyond price and quality, resulting in improved efficiency and reduced long-term risks. To ensure consistency, the study recommends developing standardized evaluation criteria and providing ongoing training for all staff involved in supplier assessments. Additionally, the implementation of ethical procurement policies, driven by value-based leadership, has improved efficiency by reducing risks and simplifying decision-making. Engaging in open dialogue with suppliers and streamlining procurement processes are essential to overcoming initial complexities and resistance.

## 6.0 Recommendations

The study recommends continued investment in comprehensive training for staff and suppliers to support the adoption of ethical e-procurement practices, which have shown to significantly enhance procurement efficiency and transparency. A phased approach to implementing e-procurement can help ease the transition for all parties involved. For supplier diversity, the study emphasizes the importance of value-based leadership in implementing the 1/3 rule, which improves procurement efficiency by fostering competition and resilience in the supply chain. To address challenges in finding qualified suppliers from marginalized groups, it is crucial to initiate capacity-building programs and conduct internal awareness campaigns to demonstrate the benefits of supplier diversity. Therefore, sustained value-based leadership is vital for advancing ethical sourcing practices and enhancing procurement efficiency in the public sector.

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