The study focused on the relationship between procurement affirmative action and success of business of entrepreneurs with disability in western Kenya. Anchored on need for Achievement theory, the study adopted a cross-sectional research design. The target population was 73 registered businesses of entrepreneurs with disability. Saturated sampling was used in this study. The respondents were 69 business owners out of which 4 were used for piloting. The study adopted a cross-sectional research design. The target population was 73 registered businesses of entrepreneurs with disability. Saturated sampling was used in this study. The respondents were 69 business owners, out of which 4 were used for piloting, being 5-10% of sample size considered as a sufficient representation. Primary data were collected using structured questionnaires while secondary data were obtained through document review. The findings revealed that Procurement affirmative action practices also significantly contributed to business success ($\beta = .511, p = .000$) and accounted for 26.1% change in business success ($R^2 = 0.261, F (1,67) = 23.625, p = .000$). The study concluded that procurement affirmative action practices moderates entrepreneurial-business success relationship. The study recommends that entrepreneurship stakeholders and the government assist in improving procurement practices for the persons with disabilities so as to help them improve on their businesses. The study is expected to inform policy on how entrepreneurial process can be used as a tool in improving persons with disabilities access to procurement opportunities and how to empower them.

Key Words: Disability, Entrepreneurship, procurement, affirmative action, practices

INTRODUCTION

Affirmative action has a formal definition. Affirmative action refers to "voluntary and mandatory efforts undertaken by federal, state, and local governments; private employers; and schools to combat discrimination and to promote equal opportunity in education and employment for all" (APA, 1996, p. 2). Affirmative action has the goal of equal opportunity, but it differs from the policy of (passive) equal opportunity (Crosby, 1994; Holloway, 1989; Konrad & Linnehan, 1999). Equal opportunity policies seek to achieve a system where each individual is given the same treatment as any other individual.

Access to procurement opportunities is an affirmative action at empowering youth, women and people living with disabilities by giving them more opportunities to do business with government. The requirement to protect disadvantaged groups is affirmed by Article 21 of the Constitution of Kenya. This article calls for affirmative action for vulnerable people who may not meet the competitive standards of procurement regimes for various reasons. This includes the youth, women and people living with disabilities who are entitled to 30% of government procurement.
The government of Kenya has put in avenues through which special groups can access information on government tendering. There is continuous capacity building on how to write formal tenders by government through public procurement oversight authority. Through suppliers’ forums the bidders are also enlightened of public procurement system and continuous improvement the government is undertaking to make easy for even small and medium enterprises. High value contracts are published in daily papers and departmental websites (GOK, 2013).

Bailey et al. (2007) defines tender as an unconditional order made by one to another to enter to the contract a transaction of goods and services at certain specified cost. Tendering enables organizations to be able to identify reliable suppliers who are able to meet the products or services required according to the specifications (Lysons and Farrington, 2006).

Governments can use public procurement to achieve policy objectives. Among others for job creation and employment for example by splitting up purchases in such a way that jobs are created or requiring suppliers to use the unemployed in supplying their goods and services; SME/regional involvement for example by splitting up orders in smaller lots so that smaller companies can participate in competing for these smaller lots; Diversity (social outcomes) i.e. favouring various suppliers that include youth, disabled, women, local firms (Telgen, 2006).

Public Procurement serves as one window through which public sector interacts with the private sector. How such interaction is managed is very important in fostering a sense of fairness and widening the base of participation by private sector in public procurement (All- Party Parliamentary Small Business Group (APPSBG), 2006). Small and Medium Enterprises (SMEs) are often excluded from public procurement contracts despite the advantages that accrue from their inclusion (Obanda, 2011). Access to public procurement is clearly in the interest of SMEs. According to Odhiambo and Kamau (2003) in the three East African countries, there is a very strong feeling among the actors that SMEs have been marginalized in most of the public sector activities. While there are many reasons for lack of participation, the main one seems to be lack of a coherent, transparent, accountable and participatory procurement policy in the three countries.

The Kenyan government through its Private Sector Development Strategy is seeking ways to promote competition, innovation and Value for Money (VFM) in the delivery of public services (Bovis, 1998). Improving procurement process through enhancement of the participation of SMEs in the public entities is one way of achieving sound procurement practices. Much could be gained by enabling more SMEs to compete. The benefits to the public entities can include better levels of service, innovative business solutions and increased competitiveness in the longer-term. In return SMEs could gain by having access to a large and stable market. SMEs may offer better value for money than larger suppliers by bringing greater competition to the public entities, lower costs, innovation and creation of employment to the youths (Simbiri, 2012).

SMEs need to have access to, and the opportunity to win, government contracts. What must not happen is that the process unintentionally favours large firms in some way and discourages small firms. It should be noted that, it is not about giving preferential treatment to SMEs but about facilitating a more level playing field. The PPOA states that the tendering/bidding process should be fair and transparent for all candidates. The contribution of small and medium enterprises (SMEs) to employment, growth and sustainable development is widely acknowledged. However, the SMEs who contribute a great percentage to the economy today have been the victims to unfair and corrupt public procurement practices and even have been barred from accessing the public procurement market. According to Vincze (2010), improved access for SMEs results in more competition, and is as one can expect likely to lead to better value for money for procurers, thus for the society.

Need for Achievement Theory

Need for achievement (N-Ach) refers to an individual’s desire for significant accomplishment, mastering of skills, control, or high standards. McClelland’s (1961, 1985) need for achievement describes a person’s drive to excel with respect to some established set of standards. Individuals’ achievement needs are satisfied when they are able to actualize their own purpose relative to and regardless of the situations of others (Yamaguchi, 2003). Those high in achievement needs dislike succeeding by chance and seek personally identifiable sources for their success or failure rather than leaving the outcome to probability (Robbins, 2003). Furthermore, individuals high in achievement needs experience joy or sadness contingent upon the identifiable outcomes of their efforts (McClelland & Koestner, 1992).

McClelland (1961, 1975, 1985) noted that individuals high in this dimension differentiate themselves from others by their desire to perform at more advanced level than their peers. They seek situations in which they can obtain personal responsibility for finding novel solutions to problems. Further, high achievement individuals are more satisfied in jobs that involve both high skill levels and difficult challenges (Eisenberger, Jones, Stinglhamber, Shanock & Randall, 2005).

According to McClelland the characteristics of entrepreneur has two features – first doing things in a new and better way and second decision making under uncertainty. McClelland emphasizes achievement
orientation as most important factor for entrepreneurs (McClelland, 1987). Individuals with high achievement orientation are not influenced by considerations of money or any other external incentives. Profit and incentives are merely yardsticks of measurement of success of entrepreneurs with high achievement orientation. People with high achievement are not influenced by money rewards as compared to people with low achievement. The latter types are prepared to work harder for money or such other external incentives (Todd & Angela, 2012).

Muraguri (2013) did a study on implementation of the youth preference and reservations policy in public procurement. The study employed descriptive survey design and a census of all the 70 state owned enterprises headquartered in Nairobi was conducted in the study out of which 55 enterprises responded. The study used primary data which was collected through use of a five-point likert scale questionnaire. Both descriptive and inferential statistics were used. According to the research findings, the youth preference and reservations policy in public procurement had not been fully implemented. Effects of institutional challenges on implementation were found to be statistically significant with a negative impact on the implementation of the youth preference and reservations policy in public procurement. Results also indicate that legislation had negative but significant effect on implementation of the youth preference and reservations policy in public procurement. His analysis focused on state owned enterprises.

Timothy Bates (2009) did a study on utilizing affirmative action in public sector procurement as a local economic development strategy. Using detailed spending and survey data of a large local governmental authority, this study analyzed how actual preferential procurement policies affected minority business enterprises (MBEs) selling to government clients. The study revealed that Preferential procurement policies often miss their objectives, achieving perverse outcomes such as minimal assistance to MBEs and negligible local economic development impacts. Strategies for simultaneously achieving fundamental fairness in government procurement while increasing MBE capacity and job creation were identified.

Justin Marion (2017) studied on how affirmative action exemptions in public procurement can improve efficiency and government expenditures without harming disadvantaged business enterprise (DBE) utilization. He examined a unique program employed by the Iowa Department of Transportation, where prior to 2013 prime contractors were allowed an exemption from a project’s affirmative action requirement if their history of DBE utilization was sufficiently high. The findings revealed that prime contractors use the exemption to smooth demands on capacity constrained DBEs, building a history of utilization during low demand periods and exploiting the resulting exemption during high demand. The study also revealed that after the exemption policy was unexpectedly eliminated in 2013, the average DBE utilization was unchanged and bids rose on affirmative action contracts.

Blanchflower, David & Wainwright, Jon, 2005 did a study on analysis of the Impact of Affirmative Action Programs on Self-Employment in the Construction Industry. The main findings of this paper were that despite the existence of various affirmative action programs designed to improve the position of women and minorities in public construction, little has changed in the last twenty-five years. Evidence presented showed that the programs have not helped minorities to become self-employed or to raise their earnings over the period 1979-2004, using data from the Current Population Survey and the Census.

All the reviewed studies focused on at most two aspects of procurement affirmative action practices as much as they have been constructed differently. Muraguri, 2013 and Timothy Bates (2009) focused on policies, whereas Justin Marion (2017) focused on procurement exemptions. Blanchflower, David & Wainwright, Jon, 2005; Timothy Bates (2009); Justin Marion (2017) all reveal that despite the existence of various affirmative action programs, little has changed. These studies looked at very few aspects of affirmative action unlike this study which will focus on training, government reserves, sensitization, tendering and preferential treatment as aspects of procurement affirmative action practices. There is therefore no adequate information on procurement affirmative action practices particularly on its relationship with business success.

**METHODOLOGY**

The study adopted a correlational approach on 73 owners of businesses of entrepreneurs with disability in the western region, and have registered as at June 2018. Both primary and secondary data were collected using questionnaires and business journals. Data was analyzed descriptively and presented in form of tables.

**Findings**

The objective of the study was to determine relationship between procurement affirmative action practices and success of business of entrepreneurs with disability in Western Kenya, Kenya. Affirmative action in procurement is a policy in which an individual's age, sex, and disability status are taken into account by a business or the government in order to increase the opportunities provided to an underrepresented part of society. Affirmative action is designed to increase the number of people from these groups within businesses, institutions and other areas of society in which they have had historically low representation. Following this, an over view of the findings on the rating of procurement affirmative action practices were presented as shown in Table 1 using frequency counts and percentages.
The findings on procurement affirmative action practices reveal different outcomes. For instance, the government failed to periodically organize seminars to train people with disability on how to identify business opportunities. This is evident from majority, 24(34.8%) of the respondents who disagreed as well as 3(4.3%) that strongly disagreed leading to cumulative 39.1% disagreeing as compared to 24(34.8%) of the respondents who agreed and strongly agreed. Majority of the entrepreneurs agreed that they fully take advantage of 30% government reserved contract opportunity for youths and people with disability as revealed by 28(40.6%) who agreed and 5(7.2%) who strongly agreed. However, few of the respondents, 11(15.9%) disagreed and 7(10.1%) strongly disagreed. Eighteen, 26.1% of them however remained neutral on the subject.

The findings further indicate that majority, 32(46.4%) of the entrepreneurs with disability disagreed that the government sensitizes people with disability on available procurement opportunities. They were also supported by 2(2.9%) who strongly agreed, although 23(33.3%) disagreed, 9(13.0%) strongly disagreed and 3(4.3%) remained neutral on the subject. Furthermore, the findings show that majority of the entrepreneurs with disability do not enjoy automatic prequalification in government tenders. This is evident as indicated by 38(55.1%) of the respondents who disagreed and 13(18.8%) who strongly disagreed. Cumulatively, only 17.4% disagreed and strongly disagreed. Six, 8.7% of the entrepreneurs with disability however remained neutral on the subject.

The findings also indicate that majority of the respondents, 26(37.7%) disagreed that they enjoyed preferential treatment in banks to limit time wastage, who were also supported by 6(8.7%). However, 6(8.7%) of the respondents remained neutral while 21(30.4%) and 20(29.0%) of them agreed and strongly agreed respectively. Finally, the findings show that majority of the entrepreneurs with disability enjoyed tax exception of up to kes 150,000 in their monthly pay to help them in capital accumulation. This is evident by 21(30.4%) who agreed and 20(29.0%) who strongly agreed, while 6(8.7%) remained neutral on the subject. It is also clear that 6(8.7%) of the respondents strongly disagreed while 16(23.2%) disagreed. In addition to these findings, the results on means and standard deviations were sought. The findings are presented as shown in Table 2 that follows.

### Table 1: Procurement Affirmative Action Practices (Frequency counts and Percentages)

<table>
<thead>
<tr>
<th>PAAP</th>
<th>SD(1)</th>
<th>D(2)</th>
<th>N(3)</th>
<th>A(4)</th>
<th>SA(5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PAAP1 3(4.3)</td>
<td>24(34.8)</td>
<td>18(26.1)</td>
<td>20(29.0)</td>
<td>4(5.8)</td>
<td></td>
</tr>
<tr>
<td>PAAP2 7(10.1)</td>
<td>11(15.9)</td>
<td>18(26.1)</td>
<td>28(40.6)</td>
<td>3(4.3)</td>
<td></td>
</tr>
<tr>
<td>PAAP3 9(13.0)</td>
<td>23(33.3)</td>
<td>3(4.3)</td>
<td>32(46.4)</td>
<td>2(2.9)</td>
<td></td>
</tr>
<tr>
<td>PAAP4 13(18.8)</td>
<td>38(55.1)</td>
<td>6(8.7)</td>
<td>6(8.7)</td>
<td>6(8.7)</td>
<td></td>
</tr>
<tr>
<td>PAAP5 9(13.0)</td>
<td>26(37.7)</td>
<td>6(8.7)</td>
<td>16(23.1)</td>
<td>12(17.4)</td>
<td></td>
</tr>
<tr>
<td>PAAP6 6(8.7)</td>
<td>16(23.2)</td>
<td>6(8.7)</td>
<td>21(30.4)</td>
<td>20(29.0)</td>
<td></td>
</tr>
</tbody>
</table>

**KEY:** PAAP- Procurement affirmative action Practices

The study hypothesis stated that Ho: Procurement affirmative action practices have no significant relationship with success of business of entrepreneurs with disability in Western Kenya, Kenya. The study carried out a simple linear regression model to establish if procurement affirmative action practices have a significant effect on business success. The findings are presented as shown in Table 3.
The findings indicate that procurement affirmative action practices accounted for 26.1% variance in business success ($R^2=0.261, F(1,67)=23.625, p=.000$) which was significant at 0.05 threshold value. The findings on model coefficient row also indicate that procurement affirmative action practices had a positive and significant effect, $\beta=.511$, $t(69)=4.861$, $p=.000$, on business success. This implies that 1 standard deviation in procurement affirmative action practices will result in a change of 0.511 standard deviation units in business success. This means that if more effort is put in procurement affirmative action practices, then there will be improved success in business. Therefore, the null hypothesis is rejected and the results are concluded on the basis of alternative hypothesis.

People with disabilities in actual fact need to be empowered and their lives need to be taken care of. Hence, with the government intervention by providing benefits of equal rights, the disabled would also be able to contribute to the economic growth of a country (Osman, Rahim, Yusof, Zikrul & Noor, 2014). Mpofu, Gasva, Gwembire and Mubika (2011) elucidate that people with disabilities and their families need to be empowered and take care of their needs in every sphere of their lives. One of the ways for effective economic empowerment for the disabled is by encouraging and supporting them in activities of their communities such as entrepreneurship. Entrepreneurship is an important contributor to economic growth for both developed and developing countries. The involvement of people with disabilities in the entrepreneurial activity will help to improve their quality of life as well as making the Millennium Development goal of most developing countries achievable by reducing fifty percent of the poverty rate by 2015 (Rahim, Abidin, Ping, Alias & Muhamad, 2014; Mpofu & Shumba, 2013).

The findings of the current study are consistent with those of with those of Muraguri (2013) who revealed a significant effect. The study by Muraguri (2013) however revealed a negative impact, which contrasts the findings of the current study. The current study can still be compared to the studies by Blanchflower, David & Wainwright, Jon, 2005; Timothy Bates (2009); Justin Marion (2017), who, all reveal that despite the existence of various affirmative action practices, little has changed. Likewise, the findings of the current study reveal that the contributions of procurement affirmative action practices are very little. All the reviewed studies focused on at most two aspects of procurement affirmative action practices as much as they had been constructed differently. Muraguri, 2013 and Timothy Bates (2009) focused on policies, whereas Justin Marion (2017) focused on procurement exemptions. These studies looked at very few aspects of affirmative action in isolation unlike the current study which has focused on training, government reserves, sensitization, tendering and preferential treatment as aspects of procurement affirmation action practices. The current study analyzed the five aspects of procurement affirmative action on success and established the relationship of the composite procurement affirmative action practices on business success $\beta=.511$, $t(69)=4.861$, $p=.000$.

### SUMMARY OF FINDINGS

The study objective sought to determine relationship between procurement affirmative action practices and success of business of entrepreneurs with disability in Western Kenya, Kenya. The findings revealed that procurement affirmative action practices contributed significantly to the model and accounted for a significant variance in business success. The study revealed that the effect of procurement affirmative action practices can be measured jointly against business success. Based on the research findings it is concluded that procurement affirmative action practices has been implemented mostly in the area of tax exemption however the challenge is still with the automatic prequalification in government tenders for Entrepreneurs living with disability. Moreover, it is recommended that procurement affirmative action practices be fully implemented since it records a very low mean and especially in the area of automatic pre-qualification in government tenders.

### Table 3: Effect of Procurement Affirmative Action Practices on Business Success

<table>
<thead>
<tr>
<th>Model Summary</th>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>R Square Change</th>
<th>Change Statistics</th>
<th>Sig. F Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model Coefficients*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Model</td>
<td>Unstandardized Coefficients</td>
<td>Standardized Coefficients</td>
<td>T</td>
<td>Sig.</td>
<td>Collinearity Statistics</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td></td>
<td>Tolerance</td>
<td>VIF</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>2.033</td>
<td>.295</td>
<td>.511</td>
<td>6.897</td>
<td>.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mean PAAP</td>
<td>.441</td>
<td>.091</td>
<td></td>
<td>4.861</td>
<td>.000</td>
<td>1.000</td>
<td>1.000</td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Mean PAAP

a. Dependent Variable: Mean BS

KEY: BS-Business Success; PAAP-Procurement Affirmative Action Practices
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