Examining the Effect of Procurement Records Management on Organizational Performance of Commercial Banks in Uganda. Empirical studies from Stanbic Bank Kabalagala Branch, Kampala Uganda

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Abstract: The purpose of the study was to find out the effect of Procurement Records management on Organisational performance of Stanbic bank, Kabalagala branch, Kampala, Uganda". Its objectives were; to identify the impact of procurement records management on organizational performance at Stanbic bank, Kabalagala branch, to establish the challenges faced with procurement records management at Stanbic bank, Kabalagala branch and to discover the solutions to effective records management. The methodology employed a descriptive correlation and cross sectional survey design. A combination of qualitative and quantitative approaches was used in data collection and analysis during the study. The study population comprised of 100 respondents purposively selected from the principal records officer, records manager and clients of Stanbic bank, Kabalagala branch. The data collection instruments used were questionnaires and Interviews. The findings revealed a significant relationship between procurement records management and organizational performance at Stan bic bank, Kabalagala.. Procurement record keeping is neccessary for decision making business adjustment and procurement records also help to improve business efficiency and productively for effective organizational performance. Bank operators at Stan bic bank, Kabalagala do not set yearly objectives for each performance indicator which makes difficult for the business to achieve its objectives and they do not prepare budgets for performance appraisal. The study recommended that; Operators of Stan bic bank, Kabalagala need to ensure complete and accurate business records are kept because they are essential for decision making. This can be ensured by undertaking short course training about record keeping and hiring workers with knowledge and skills about accounting record keeping. Bank unit operators need to set yearly objectives for each performance indicator so that both the bank owners and employees work with an aim to be achieved.

1.0 Background to the study.

Robles and Langemo (2016) defines procurement records management as the professional management of information in the physical form from the time records are received or created , distributed and placed in a storage and retrieval facility until either eventual elimination or identification for permanent retention in the archives of purchasing. According to Kennedy (2017) it is a function of providing control of these records from creation, or receipt through their practices, distribution, organization, warehousing and finally disposal.

It can also be defined as the skill of keeping full, accurate, up to date procurement records in an organization. Proper record keeping can help business to effectively manage cash flows and stay abreast of profits and losses and develop plans for future based finance trends.

The theory of Hegelian Dialectic by (Hegel, 2015) was used to explain the study. It explains that change occurs in organizations when opposing values, forces or events gain sufficient power to confront and engage the status quo. Records management systems, procurement procedures, information communications technology and emerging knowledge in procurement and supply chain management in general face several challenges to overcome the obtaining status-quo.

The study considered two variables that is procurement records management and organizational performance
Stanbic Bank Kabalagala Branch is located in Kansanga, Kampala. It is among the biggest banks in Uganda serving over 10,000 customers country wide. It was recently publicized that banks in Uganda are failing due to the wrong decisions made by the top management probably due to poor management of procurement records hence the need to conduct this research. (Ministry of Finance Planning and Economic development report 2018).

2.0 Review of related Literature

Relationship between procurement Records Management and organizational performance

According to Palmer, (2020) there are different categories of records including legal,financial, active and semi active records. Legal records are those created to act as evidence to business transactions or legal decisions for example; contracts, agreements, leases, policy records, case files and correspondences.

Chell (2016) writes that legal records are generated specifically from the work of courts, the police, and public prosecution. Within legal context, records serve legal functions. Legal records support legal rights and obligations with the legal system, also provide proof that a particular activity took place. Legal records contribute to accountability in an organization and in government.

Financial records are those created for accounting and fiscal use. Financial records maintained by most businesses include income statements and the company 's balance sheet and tax returns.

Active or current records are those open files used in conducting current business of a company. These are constantly used and should be maintained near the users.

Semi-Active or Semi-Current Records

These are records that consist of the recently closed files. They are only infrequently used. They should be entered in a closed Records register and systematically transferred and organized in a departmental or organizational Records center. The register acts as a retrieval tool.

Procurement Records Management and organizational performance

According to Hare (2017), keeping records is crucial for the successful performance of a business. Efficient and proper management of records in procurement makes it easier for managers to establish an accurate and timely financial reports that explain the progress and current status of a company. Procurement records also provide a basis for complete and accurate income tax computation, a basis for sound planning for the future and basis for discussion with partners, potential investors, and lenders.

2.1 Challenges faced during management of records in procurement in an organisation

Inaccessibility.

The sensitivity of medical records has brought several challenges to managing institutions. The commonest relates to storage, access, safety and security. Organizations which use primarily manual based records practices experience storage and accessibility problems. Access to records is a big challenge that users and custodians face. Sometimes there is conflict on the ownership and the right of access to a critical record (Sutcliffe, 2018).

Insecurity of the system

The safety and security of records is yet another problem to personnel in-charge of records. Berg, (2017) revealed that there were numerous instances where important documents and notes were not kept in secure conditions. When records are managed, without proper security measures, this can lead to misuse and violation of confidentiality. (Berg, 2017), among others, is concerned about the misuse of records and state that: the confidentiality of records is threatened in many different ways.

Technicality

Garter (2017), points out that a disadvantage of electronic records is that they are technical in nature and demand training before being used.

2.2   Solutions include;

Technological compliance

These are measures put in place to protect electronic records like data encryption which makes sure that Internet transfer protocols are managed in order to limit access. Biometrics can also be used to secure access to computers on networks and information storage devices

Use of a computer based records management Practices and exploring legal are regulatory frame work are also another means used to minimise on the challenges faced during management of procurement records.

3.0 METHODOLOGY

3.1 Research Design

A descriptive correlation and cross sectional survey was used. This is because data was collected from respondents at a particular time. Purposive sampling helped to ensure that the respondents with the right information were selected to participate.

3.2 Study population

This comprised of 100 respondents purposively selected from the principal records officer, records manager and clients of Stanbic bank, Kabalagala branch.

3.3 Sample size

This was determined according to Slovene's formula of sample determination. Under this, a target population of 80 was reduced to a sample size of 80 respondents respectively as stated by Slovene's (1978). Using the Slovenes formula,the minimum sample size was determined.

$$n = \frac{N}{1 + Ne^2} = \frac{100}{1+100(0.05)^2} \quad =80 \text{ Respondents.}$$

n = 80

With   n=number of sample

N=total population

e=level of significance

Table 3.1: Table for determining sample size from a given population

Respondents	Population size	Sample size	Technique
Principal records officer	01	01	Purposive sampling
Records manager	02	01	Purposive sampling
Clients	97	78	Simple random sampling
Total	**100**	**80**	

3.4 Sampling Procedures

The participants were selected using purposive sampling method and simple random sampling. Purposive sampling was the best because it involves selecting participants that possess the required characteristics and qualities as defined by the researcher (Amin, 2015).

3.5 Sources of data collection

The researcher used both primary and secondary data sources.

3.7 Validity and Reliability

Validity is the ability of the research instrument to measure what it aims or is supposed to measure. According to Amin (2015), the research instrument must be appropriate for the objectives to be achieved. The researcher consulted and discussed this with colleagues and supervisor to limit errors as much as possible. Out of the total number of items of the questionnaire, the questions that were considered were very relevant.

Reliability

This refers to dependability or the trustworthiness of an instrument. According to Amin (2015), it is the degree to which the instrument consistently measures what it is supposed to measure.

Data Processing

Data was collected, edited, entered and coded using SPSS.

4.0 PRESENTATION, ANALYSIS AND INTERPRETATION OF FINDINGS

4.1 Gender of respondents

Table 4.1: Showing gender composition of respondents

Gender	Frequency	Percentage	Degrees
Male	51	63.8	229.7
Female	29	36.2	130.3
Total	80	100	360

Source: Primary data, 2022

The table above shows that majority of the respondents were males represented by 51(68.8%). The female respondents were 29(36.2%)

4.2 Marital status

Table 4.2: Showing marital status of the respondents

Marital status	Frequency	Valid Percentage(%)
Married	30	37.5
Single	48	60.0
Widowed	02	2.5
Total	80	100.0

Source: primary data, 2022

As seen in figure 4.2 above, the highest number constituting 48(60%) were single and these were followed by respondents who were married as reported by 30(37.5%). Finally, 02(2.5%) were widowed and none reported to fall under the category of Separated/divorced.

4.1.3 Education Level

To get information from all categories of people, those that have attained primary, Secondary and tertiary level were all approached during the study process.

Table 4.3: Showing level of education of the respondents

Education Level	Frequency	Valid Percentage
Primary level	12	15.0
Secondary level	12	15.0
Tertiary level	56	70.0
Total	80	100.0

The table and figure 4.3 above shows that the majority were at the tertiary level with 56(70%), followed by equal respondents who attained primary and secondary level, that is, 12(15%) each. The study on further understanding showed that all the study respondents who had attained secondary and primary levels of education were mostly people in the marketing and sales department as some were also performing differing tasks like offloading and loading the truck at the company. The above findings show that tertiary institutions' leavers take a lead in participating at Stan bic bank, Kabalagala branch.

4.1.4 Age

The distribution of the respondents by age was presented in the study as shown in table 4.4 and figure 4.4 below.

Table 4.4: Age of the respondents

Age group	Frequency	Valid Percentage(%)
18-23	8	10.0
24-29	32	40.0
30-35	25	31.3

36 & above	15	18.8
Total	80	100.0

From Table 4.4 and figure 4.4 above, the respondents were required to indicate their ages and it was discovered that the largest number were in the age group of 24-29 years (32)40%, these were followed by those in the range of 30-35years (25)31.3% who were followed by those in the range of 36 and above (15)18.8% and the smallest number was those who were in the range of 18-23 years (8)10% of respondents. This trend implies that most of those who participated were between 24 and 36 years of age.

4.2 Procurement Records management and Organisational Performance

Table 5: procurement records management and organizational performance at Stan bic bank, Kabalagala

STATEMENT	Strongly disagree	Disagree	Not sure	Agree	Strongly agree	Total (%)
The bank keeps procurement records for effecient organizational performance	12	16	35	22	15	100
Records kept on cash receipts sales , purchases, creditors and debtors facilitate better organizational performance	05	11	33	35	16	100
The bank owners and record managers are responsible for keeping records in procurement to facilitate organizational performance	16	28	25	16	15	100

Source: Primary data, 2022

From table 4.5, it was discovered that when the participants were asked on whether the bank keeps procurement records for efficient organizational performance, 15% strongly agreed, 22% agreed, 35% were not sure, and 16% disagreed while 12% strongly disagreed.

When asked on whether records kept on cash receipts sales, purchases, creditors and debtors facilitate better organizational performance,16% strongly agreed, 35% agreed, 33% were not sure, 5% strongly disagreed and 11% disagreed.

When the participants were asked on whether the bank owners and record managers are responsible for procurement record keeping to facilitate organizational performance, 15% strongly agreed, 16% agreed, 25% were not sure, 28% disagreed and 16% strongly disagreed.

4.3 Challenges faced while managing procurement records at stanbic Bank Kabalagala

Table 4.6: Challenges

STATEMENT	Strongly disagree	Disagree	Not sure	Agree	Strongly agree	Total (%)
In accessibility of records	12	16	35	22	15	100
Insecurity of the system	05	11	33	35	16	100
Technicality in nature of records	16	28	25	16	15	100

The findings in table 4.6 indicate that when asked if accessibility of records is a challenge to personnel in-charge of records, 15% strongly agreed, 22% agreed, 35% were not sure, and 16% disagreed while 12% strongly disagreed.

When asked about insecurity of records 16% strongly agreed, 35% agreed, 33% were not sure, 5% strongly disagreed and 11% disagreed.

When asked whether technicality in nature of procurement records is a threat , 15% strongly agreed, 16% agreed, 25% were not sure, 28% disagreed and 16% strongly disagreed.4.4

Solutions to the challenges for effective procurement records management at Stanbic bank, Kabalagala branch

Table 4.7: Solutions

STATEMENT	Strongly disagreed	Disagree	Not sure	Agree	Strongly agree	Total (%)
Stanbic bank, Kabalagala branch should adopt the technological compliance solutions to safeguard electronic records	09	24	29	30	08	100
Use of legal and regulatory frame work	08	28	28	28	08	100
The bank should try to use computer based procurement records management Practices like encryption	13	28	22	25	12	100

Source; Primary data

The findings in table 4.7 about the solutions to the challenges for effective procurement records management at Stanbic bank, Kabalagala branch show that;

When the respondents were asked on whether Stanbic bank, Kabalagala branch should adopt the technological compliance solutions to safeguard electronic records, 8% strongly agreed, 30% agreed, 29% were not sure, and 24% disagreed while 9% strongly disagreed.

When asked on whether another way of safeguarding records is through the use of legal and regulatory frame works, 8% strongly agreed, 28% agreed, 28% were not sure, 8% strongly disagreed and 28% disagreed.

When the respondents were asked on whether the bank should try to use computer based procurement records management practices like encryption, 12% strongly agreed, 25% agreed, 22% were not sure, 28% disagreed and 13% strongly disagreed.

5.0 CONCLUSIONS AND RECOMMENDATIONS
5.1 Conclusions

There is a known, significant and strong relationship between procurement records management and organizational performance at Stan bic bank, Kabalagala. Procurement record keeping is essential for decision making and procurement records also help to improve business efficiency and productively for effective organizational performance.

Bank operators at Stan bic bank, Kabalagala do not set yearly objectives for each performance indicator which makes it difficult for the business to achieve its objectives and they do not also prepare budgets for performance appraisal. Stan bic bank procurement records department has been working to streamline records management procedures to avert unnecessary loss, access, misplacements, misuse and inadequate security measure which is challenging and this may lead to loss of confidentiality of individual records among others. This research also discovered that there were several cases when important documents were not secure and safe. This was because some records were poorly managed a concern that threatened Stan bic bank procurement records department work.

5.3 Recommendations

Operators of Stanbic bank, Kabalagala need to ensure complete and accurate business records are kept because they are necessary to be able to make wise decisions. This can be achieved by undertaking short course training about keeping procurement records and hiring workers with knowledge and skills about the same. Bank unit operators need to set yearly objectives for each performance indicator so that both the bank owners and employees work bearing in mind the objectives to be achieved.

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