FACTORS INFLUENCING IMPLEMENTATION OF GREEN PROCUREMENT IN MULTINATIONAL TEA COMPANIES IN KERICHO COUNTY

Langat Evans Kipkorir
School of Entrepreneurship, Procurement & Management
Jomo Kenyatta University of Agriculture and Technology, Kenya
Langatevans88@yahoo.com

Daniel M. Wanyoike
School of Entrepreneurship, Procurement & Management
Jomo Kenyatta University of Agriculture and Technology, Kenya
dwanyoike@jkuat.ac.ke

Abstract
The procurement function has emerged as one of the crucial department for any productive organization due to its role of acquiring inputs to organizational production process and its contribution to the competitiveness of the firm. The study sought to analyze the identified factors affecting the implementation of green procurement in the organization. Three multinational companies were used as a survey for the study. The study targeted employees from the department of stores and procurement in all the three companies. A census of 35 employees from the three companies was used in the study, this being the total number of staff working in the procurement department. The study adapted a descriptive technique where structured questionnaires were used because they provide a high degree of data standardization and adoption of generalized information amongst population. Data was collected through primary sources. The data collected was analyzed using both descriptive and inferential statistics by use of SPSS. The data was the coded, summarized and tabulated. The study found out that financial support is the most constraint that affects the implementation of green procurement. The study recommends that multinational tea companies as a private entities should provide financial support on the importance of adopting the aspect of green purchasing.

Keywords: MNCs, tea companies, resource based theory, green procurement, financial resource
INTRODUCTION

Green procurement is the purchase of environmentally friendly products and services, the selection of contractors and the setting of environmental requirements in a contract. Green procurement steams from pollution prevention principles and activities. Also known as green or environmental purchasing, green procurement compares price, technology, quality and the environmental impact of the product, service or contract. Green procurement policies are applicable to all organizations, regardless of size. Green procurement programs may be as simple as purchasing renewable energy or recycled office paper or more involved such as setting environmental requirements for suppliers and contractors. Green products or services utilize fewer resources, are designed to last longer and minimize their impact on the environment from cradle to grave. In addition, green products and services have less of an impact on human health and may have higher safety standards. Whilst some "green" products or services may have a greater upfront expense, they save money over the life of the product or service. (Min & Galle, 1997, 2005)

Daft, Walker and Brammer, (2009), stated that currently, there is political consensus that sustainable development is both wanted and necessary. On the other hand, it has proven difficult to reach an agreement as to which effects are going to lead this green development – not least in a globalized world where both goods and pollution are increasingly crossing borders. One of the instruments often debated is green public procurement. Opposers of green procurement are typically worried about possible additional costs that the public will have to bear and at the same time, they doubt that the state via subsidy policies and the like is able to pick the winner. Conversely, the supporters point out the enormous potential in pushing the market in the right direction and actually feel able to demonstrate economic benefits of green procurement.

In the EU, the potential of green public procurement was first underlined in the European Commission’s announcement from 2003 concerning integrated product policies, encouraging member states to adopt national action plans for such procurements before the end of 2006. The new European legal framework for public procurement contains instructions on how public procurers can include environmental considerations in their processes and procedures. Additionally, the EU’s strategy for sustainable development has a political objective to increase the EU’s green public procurement average by 2010 to member state best practice in 2006 Fangmiao Hou (2007).

Stock (1992) thought that green purchasing can improve a firm's economic position, by reducing disposal and liability costs, conserving resources, and improving an organization's public image. Min and Galle (2005) find that the two most highly rated obstacles to effective
implementing green purchasing was cost and revenue. In the process of implementing green procurement, the enterprise is bound to increase investment, training staff costs and the communication costs with suppliers, etc, which hence causes the loss of other investment opportunities (Liu Bin, 2009). Zhu Qinghua et al. (2004) found the suppliers stress had greater impact on the implementation of green supply chain through research. Fangmiao Hou (2007) pointed out that the close cooperation of suppliers and buyers would promote the successful completion of green purchasing activities. In the process of purchasing and procurement, suppliers must consider the ultimate disposition of the materials and components that enter the firm, purchasing managers can ask upstream members of the supply chain to commit waste reduction and provide environmentally friendly product. Suppliers, e.g. transport service suppliers and product suppliers, can impact firms’ green purchasing activities and drive green supply chain management (Walker et al., 2008). The availability, characteristics, knowledge, ambitions, equipment and actions of the suppliers can have an impact on purchasing and green purchasing. To achieve an effective environmental performance, the purchaser must take, and be given, the responsibility and resources for educating suppliers and demonstrate ongoing commitment (Knudsen, 2003).

In Africa, various studies have been done on green procurement policy according to research undertaken by Harpe, (2008) stated that, the municipalities of Cape Town, eThekweni Municipality, Ekurhuleni, Nelson Mandela Metro (Port Elizabeth), and Pretoria (Tshwane), all members of ICLEI (Local Governments for Sustainability), committed themselves at the World Conference on Sustainable Development (2002) to some form of green procurement. Gauteng Provincial Government apparently also committed to implementing green public procurement. While certain government bodies seem to have progressed in developing green procurement policies, the implementation of these policies appears to be less than complete. Where other government policies exist that support green public procurement, these have not been explicitly developed for the purpose of green procurement or recognised as supporting green procurement. This suggests that the process of developing and implementing environmental procurement criteria has not been effectively rolled out within the mentioned government bodies. One example provided was of a government body that, although having committed publicly to the development of a green procurement policy, simply did not have the capacity to drive the work and the programme was placed on hold, (De La Harpe, 2008).

While it has to be recognised that the survey only aimed to generate a high-level overview and reflects the expertise and opinions of no more than two representatives per government body, thorough implementation of green procurement relies on all personnel within an organisation being aware of and practicing the principles of green procurement: A lack of
awareness or understanding of green procurement by the personnel interviewed therefore indicates gaps in the implementation of green procurement. In most cases where plans to introduce or develop a green procurement policy were in place according to the environmental expert interviewed, the financial expert interviewed was unaware of the initiative. This indicates that green procurement is currently largely being driven by environmental departments without much involvement or contribution from treasury or financial departments (Harpe, 2008).

In Kenya few studies has been done on various organisation pertaining the green procurement. A study done at Kenya pipeline corporation on determinants of adoption of green procurement revealed that incentives and pressures (Bjorklund, 2011) and organization green capacity (Iraldo et al., 2007; Hart,2005; Francesco et al., 2012), are the main determinants of green public procurement adoption at KPC. The other factors studied; cost of green products and green supply capacity were not found to be significant. The results are an indication that the success of green public procurement relies heavily on enhancing the internal capacity rather than of focusing on the exogenous environment. According to Odhiambo, (2008) many private firms in Kenya are working to improve the environmental performance of their operations and products and green procurement has been a logical extension of this work. Similar to public buyers, private sector organizations have in the last two decades adopted green procurement practices for specific products (for example, recycled-content office paper, renewable energy, paints and cleaners), with a few others have developed green procurement policies that cover a wider range of products, services and environmental issues (Odhiambo, 2008). As the business benefits of these efforts become better known, green procurement is continuing to grow in the private sector (Lucas, 2007). In Kericho county most studies has been done on tea firms especially on IT(Information Technology) sector but no study has been done on green procurement.

Statement of the problem
Green procurement is becoming a cornerstone of environmental policies both at European Union and Member State level (Tukker et al., 2008). Since the International Conference on Environment and Development at Rio de Janeiro in 1992, the awareness on the role of green procurement in supporting sustainable consumption and production patterns strongly increased and, today, is spreading through the public authorities both as a policy instrument and as a technical tool. With the change of the social economic development level and market environment, enterprise competitive means have developed gradually from the quality competition, the service competition, the brand competition to the green competition. The export of our products is threatened by international green trade barriers which directly affect our
business competitiveness in the global market. In addition, customers increasingly incline to the environmentally friendly products due to a large number of unethical business practices in the consumer goods industry that have been exposed. Facing to a variety of competitive pressure from the external environment, our country’s enterprises must start the green transformation and management to the whole supply chain from purchasing raw materials to delivering the products to enhance its competitiveness by reducing the number of raw materials and waste, recovering, collecting, reusing, recycling and reprocessing the scrap and old product and packing.

However, most of the organization have not fully implemented despite its numerous advantages which it includes: Economic benefits, competitive advantage through innovation, improved public image, helping governments to meet set standards. Organization face complex deliberations whether to adopt the green purchasing (Davila, 2003). The organizational decision to adopt green procurement is commonly taken by boards and managers who consider information about both the alternatives and consequences into account. Hence, with the numerous advantages of green procurement there is a need to research on those factors influencing the implementation.

**Objective of the Study**
The main purpose of the research was to determine factors that influence the implementation of green procurement in Kenya with special focus to Multinational Tea Companies in Kericho County.

**Research Hypothesis**

H₀₁: Financial resource does not influence the implementation of green procurement at Multinational Tea Companies in Kericho County.

**THEORETICAL REVIEW**

In this study the following theories are covered in relation to the implementation of green procurement; Resource Based Theory and legitimacy Theory.

**Resource Based Theory**

This Resource Based Theory (RBT) is an economic tool used to determine the strategic resources available to a firm. The main principle of the RBT is that the basis for a competitive advantage of a firm lies primarily in the application of the bundle of the valuable resources at the firm’s disposal. To transform a short-run competitive advantage into a sustained competitive advantage requires that these resources are heterogeneous in nature and not perfectly mobile
(Peteraf, 2005). Effectively, this translates into valuable resources that are neither perfectly imitable nor substitutable without great effort (Hoopes, 2003). If these conditions hold, the firm’s bundle of resources can assist the firm in sustaining the above average returns.

The resource-based view of the firm also emphasises that valuable, rare, imperfectly imitable, and non-substitutable resources result in competitive advantage (Barney, 2001). These resources can consist of assets, capabilities, organisational processes, information, etc. and are classified into tangible and intangible resources. The RBV extends the resource-based view by highlighting that the environment might be a constraining factor impacting sustainable competitive advantage and accordingly suggest that firms, which manage the environmental link better than others, might generate more sustainable competitive advantage (Hart, 2005).

**Legitimacy Theory**

Legitimacy implies the existence of a social contract between an organization and its constituents (or stakeholders). Though scholars define it with varying degree of specificity, one of the broadly adopted definitions of legitimacy is that it is a general perception or assumption that the actions of an entity are appropriate within some socially constructed system of norms, values, beliefs, and definitions (Scott, 2004). Given its unique ability to connect organizational actions to stakeholder expectations, there is a widespread support for the notion that legitimate behaviour can lead to superior rewards and benefits. Legitimacy of organizations has historically been approached from two opposing theoretical perspectives – institutional and strategic. From the institutional perspective, legitimization is envisioned as a process of institutionalization, whereby external norms and beliefs are adopted without much thought. On the other hand, the strategic theoretical perspective envisions legitimacy as instrumental, proactive, and more importantly, a deliberate pursuit that can ultimately enhance external beliefs, thereby creating newer and enhanced levels of legitimacy.

Given its ability to explain organizational initiatives that do not follow the norms of profit-maximization, the legitimacy-based view provides a sound theoretical basis for explaining environmentally-oriented initiatives. Studies relying on the institutional theory suggest that pressures from a firm’s institutional fields will drive it to seek legitimacy in the eyes of its stakeholders. In the words of Oliver (2005: p150), a firm’s response to external institutional pressure “emphasizes the importance of obtaining legitimacy for purposes of demonstrating social worthiness”. At the same time, given that institutionalization highlights “organizational scepticism” when legitimacy-seeking behaviours conflict with other firm objectives such as profit maximization, institutional theory also signals that firms might pursue only basic environmental initiatives that could sufficiently satisfy stakeholder needs.
Following these ideologies within the institutional view of legitimacy, extant research has identified regulatory compliance, competitive advantage, and social concerns as key proponents of corporate environmental initiatives. More importantly, organization theorists contend that the visibility of an organization can invite increased institutional pressure to pursue environmentally sound practices. Organizational visibility suggests that an organization is publicly recognized, and hence more closely scrutinized by external stakeholders – customers, media, environmentalists, as well as government agencies when it comes to environmental issues. Accordingly, visible organizations will have to consciously respond to stakeholder demand to maintain their reputation and legitimacy (Scott, 2004).

EMPIRICAL REVIEW
Implementation of Green Procurement
Green procurement steams from pollution prevention principles and activities. Also known as green or environmental purchasing, green procurement compares price, technology, quality and the environmental impact of the product, service or contract. Green procurement policies are applicable to all organizations, regardless of size. Green procurement programs may be as simple as purchasing renewable energy or recycled office paper or more involved such as setting environmental requirements for suppliers and contractors. Green products or services utilize fewer resources, are designed to last longer and minimize their impact on the environment from cradle to grave. In addition, green products and services have less of an impact on human health and may have higher safety standards. Whilst some green products or services may have a greater upfront expense, they save money over the life of the product or service (Miles, 2010).

Lozano (2013) suggested that before a green procurement program can be implemented, current purchasing practices and policies must be reviewed and assessed. A life cycle assessment of the environmental impacts of products or services is required and a set of environmental criteria against which purchase and contract decisions are made has to be developed. The outcome is a regularly reviewed green purchasing policy that is integrated into other organisational plans, programs, and policies. A green purchasing policy includes date-stamped priorities and targets, the assignment of responsibilities and accountability and a communication and promotion plan. Green procurement policies and programs can reduce expenditure and waste; increase resource efficiency; and influence production, markets, prices, available services and organizational behavior. They can also assist countries in meeting multilateral requirements such as the Kyoto Protocol and Rotterdam Convention. International Standards Organization and other bodies have established guidelines for green procurement.
programs. Obstacles to implementing a green procurement program include: lack of readily available environmental friendly products; expensive or zero environmental alternatives; inaccurate studies; lack of organizational support; and inaccurate or unsupported environmental claims by manufacturers and suppliers. Legislation, organizational policies, directives, environmental management systems or multi-lateral agreements often require organizations to implement a green procurement program (Jae Mather, 2010).

As reported by Morrison (Morrison, 1991) in one of his studies, 70% of the organizations have specific allocations made to tackle this issue. But still many organizations consider this from a corporate reputation and that the competitors are doing it which forces them to do it as well. It is nothing more than a marketing gimmick or advertisement agenda for the firm. Governments of different nations are encouraging both private and public firms to become green in which ever ways possible and have been creating policies and providing with incentives for initiatives taken by these firms. Environmental issues have been the core of sustainable procurement. The ozone depletion, reduction of carbon emission, bio-degradable materials, eco-friendly products, alternate energy sources to effectively use the natural sources have all been important factors. Socio-economic development of the local, like the social welfare of people, health care, employment opportunities also form the core of sustainable procurement.

**Influence of Financial Resource on Implementation of green Procurement**

Scholars also suggest that financial resource of firms can increase their visibility among external stakeholders. Additionally, financial resource is also considered as a source of organizational slack, in the form of excess resources (Sharma, 2000; Bowen, 2000). Accordingly, superior financial resource could lead to visibility, thereby leading to more pressure from external constituents. External stakeholders could also perceive firms with financial resources to be in a position to use the excess discretionary slack resources to overcome the risk and unpredictability in adopting the proper supply-side environmental practices (Menguc et al., 2010).

Accordingly, following organizational scholars espousing the institutional view of legitimacy (Sharma, 2000), We propose that superior financial performance will promote basic supply side environmental initiatives such as green procurement (Shittu & Bake, 2010). Additionally, investments in development initiatives are far more uncertain than basic green procurement investments. Therefore, firms would exercise scepticism when allocating their limited resources to such advanced initiatives, and rather invest in basic green procurement initiatives that would sufficiently satisfy the needs of their external stakeholders.
METHODOLOGY

Research design
The researcher used descriptive research design to carry out the study because it obtains information concerning the current status of the phenomena with respect to variables in a situation. It also enables subjects to give more information on the issues of interest to the researcher (Mugenda, 2003). Specifically, the researcher used a survey study of multinational tea companies in Kericho County which it includes Unilever, Williamsons and James Finlay. The researcher applied both quantitative and qualitative approaches because qualitative approach is concerned with subjective assessment of attitudes, opinions and behavior. It also gathers data which provides detailed description of events, situations and interactions between people and things, Quantitative approach involves generation of data in quantitative form which can be subjected to rigorous quantitative analysis in a formal and a rigid fashion, it is also based on theories (Kothari, 2004).

Data Source
The researcher relied on the primary data that was collected by use of self-administered questionnaires to all the respondents. Primary data is usually basic, unbiased information, original data from the population and its very reliable in that the researcher collects information for specific purposes of his/her study. Secondary data was sourced by referring to existing materials such as journals, past research in the area, financial reports of the companies and all other relevant documents that relates green procurement implementation.

Target Population
Population is the entire group of individuals, events or objects that have observable characteristics. Targeted population in this study comprised of all the employees working in procurement department, a population of thirty five (35) people which is the total number of employees working in the procurement departments in the three multinational tea firms in Kericho County. Where 15, 10, 10 were respondents from Unilever, Williamsons and James Finlay respectively. The researcher therefore used a census to carry out the study.

Research Instruments
The researcher personally administered the questionnaires to the target population. Questionnaires provide high degree of data standardization and adoption of generalized information amongst any population (Chandran, 2003). Questionnaires are very practical and large amount of information can be collected from a large number of people in a short period of
time and in a relatively cost effective way. They can be analyzed more scientifically and objectively and its results can be easily and quickly quantified by either or through the use of a software package.

**Data Collection Method**

The data was collected by use of questionnaires which the researcher administered personally to the target population. This data was directly obtained from the employees in the department of procurement and was accurate. Permission was obtained from Jomo Kenyatta University of Agriculture and Technology and an introduction letter was written to the management of the three multinational companies to request for a permission to carry out the study. Questionnaires were administered to the units of analysis by use of drop and pick method so that the personal touch can be enhanced for the maximum possible response rate and allow room for clarifications.

**Pilot Testing**

Pilot testing was done in order to ensure reliability and validity of the questionnaires used for the study. Reliability is concerned with the estimates of the degree to which a measures is free of random error and the reliable instruments can be used with confidence that transient and situational factors are not interfering (Schindler, 2008). This was done by administering three questionnaires with a clear and brief explanation of purpose of this study to a selected group of three respondents who worked in the department of procurement.

The expected results for the pre testing was computed by Cronbach’s Coefficient Alpha which should yield a reliability coefficient greater than 0.77 (Malhotra, 2004). The reliability of the questionnaires was above 0.77 and the researcher was satisfied that they could yield the expected results.

**Data Analysis and Presentation**

The data from the filled in questionnaires was examined and checked for comprehensibility and completeness. It was the coded, summarized and tabulated. Correlation analysis was used to determine the degree of relationships between the independent variables and the dependent variable. Regression analysis was used to determine relationships between variables ant their effects on implementation of green procurement.
ANALYSIS AND FINDINGS

Descriptive Analysis

Constraints Faced in Implementing Green Procurement

The researcher sought to establish if there were constraints during the introduction and the current use of green procurement aspect in place. The outcomes were as indicated in Table 1 below.

<table>
<thead>
<tr>
<th>Constraints</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>28</td>
<td>80.0</td>
</tr>
<tr>
<td>No</td>
<td>7</td>
<td>20.0</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Majority (80%) of the respondents fully acknowledge that there were constraints with the implementation of the green procurement while the remaining 20% indicated otherwise. This was in line with existing literature pointing at numerous constraints that are facing the integration of green purchasing into procurement functions.

Level of green procurement use and implementation

The respondents were asked to evaluate their green procurement usage and the extent to which they have been implemented in their respective companies. The outcome was as presented in Table 2 below.

<table>
<thead>
<tr>
<th>Level of Implementation</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>less than 20%</td>
<td>2</td>
<td>5.7</td>
</tr>
<tr>
<td>21-40%</td>
<td>17</td>
<td>48.6</td>
</tr>
<tr>
<td>41-60%</td>
<td>12</td>
<td>34.3</td>
</tr>
<tr>
<td>61-80%</td>
<td>3</td>
<td>8.6</td>
</tr>
<tr>
<td>over 80%</td>
<td>1</td>
<td>2.9</td>
</tr>
<tr>
<td>Total</td>
<td>35</td>
<td>100.0</td>
</tr>
</tbody>
</table>

A marginal proportion (48.6%) of all the respondents had implemented their green procurement within the range of between 21-40%, while 34.3%, 8.6%, 5.7% and 2.9% had implemented it to between 41-60%, 61-80%, less than 20% and over 80%. This was a clear indication that majority were between 21-40% level of implementation.
**Influence of Financial resources**

One of the key objectives of this research was to determine influence of financial resource in the implementation of green procurement at multinational tea companies in Kericho County. The researcher sought to establish the extent to which each of the indicated cost elements were impediments to the implementation of green procurement and the results are as indicated in Table 3 below:

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Min</th>
<th>Max</th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of recyclable</td>
<td>35</td>
<td>1</td>
<td>5</td>
<td>4.09</td>
<td>1.121</td>
</tr>
<tr>
<td>Acquisition of biogradable products</td>
<td>35</td>
<td>1</td>
<td>5</td>
<td>3.86</td>
<td>1.089</td>
</tr>
<tr>
<td>Purchasing of low</td>
<td>35</td>
<td>2</td>
<td>5</td>
<td>4.06</td>
<td>.873</td>
</tr>
<tr>
<td>energy consumption</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non ozone depleting</td>
<td>35</td>
<td>1</td>
<td>5</td>
<td>3.86</td>
<td>1.061</td>
</tr>
<tr>
<td>substances</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Valid N</td>
<td>35</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 3 revealed that among the respondents, majority rated high (mean=4.09) that purchasing of recycle products is much expensive towards implementation of green procurement also purchasing of low energy consumption products was rated high with a mean of 4.06. Table 3 further showed that majority of the respondent rated high purchasing of non ozone depleting substances and acquisition of biogradable products at the same mean of 3.86 as much expensive factors in implementation of green procurement.

**Inferential Analysis**

Inferential analysis is used to determine whether there is a relationship between an intervention and an outcome, as well as the strength of that relationship. It uses statistical test to see if a pattern observed is just due to chance or is due to the program or intervention effects.

**Relationship between Financial Resources and Green Procurement Implementation**

In the Table 4, it can be seen that financial resource has r-value of .718 indicating a significant positive relationship between financial resources and implementation of green procurement. This is satisfactory to the first objective of the study: to determine the influence of financial resources in implementation of green procurement at multinational tea companies. This strong
support indicates that superior financial performance will promote basic supply side on environmental initiatives such as green procurement (Shittu & Bake, 2010). The p values (.010) are below .05 thus leads to rejection of null hypothesis that there is no significant relationship between financial resource and implementation of green procurement multinational tea companies, at 5% level of significance. Therefore financial resource is positively correlated to implementation of green procurement.

<table>
<thead>
<tr>
<th>Implementation of green procurement</th>
<th>Pearson Correlation</th>
<th>Financial Resource</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementation of green procurement</td>
<td>Sig. (2-tailed)</td>
<td>N</td>
</tr>
<tr>
<td></td>
<td></td>
<td>35</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.05 level (2-tailed).

**Hypothesis Testing**

The hypothesis of the study was; $H_{01}$: There is no significant relationship between financial resource on implementation of green procurement at multinational tea firms. Based on the findings, the p-value 0.023<0.05 hence the null hypothesis was rejected and concluded that there was significant relationship between financial resources and implementation of green procurement.

**SUMMARY**

The objective of the study sought to determine the influence of financial resources in implementation of green procurement in multinational tea companies in Kericho. Cost of purchasing recyclable products, acquisition of bio-gradable products, purchasing of low energy consumption products and purchasing of non-ozone depleting substances were the factors to be considered within the selected firms. On their rating, purchasing recyclable products, acquisition of bio-gradable products purchasing of low energy consumption products and acquisition of bio-gradable products was rated high. The overall correlation of the financial resource variable with the level of green procurement implantation was 0.718 while the standardized Beta coefficient in the regression model was significant and explained 42.6% of the variance in the model.
CONCLUSIONS

Financial resource variable was acknowledged by majority of the respondents as the factor that hinders the uptake of green procurement, purchasing of the recyclable products was seen as the major constraint aspect and also the cost of purchasing non-ozone depleting substances. In addition the cost of purchasing low energy consumption products and the cost of purchasing non-biogradable products was also seen by the majority as a constraint in adoption of green procurement due to the fact that resources are limited within the given firms.

RECOMMENDATIONS

As much as resources are always limiting. Multinational tea companies should look at the green procurement as a critical investment and set aside adequate financial resources in their budgeting process. Furthermore only the initial investment in procurement of the necessary recyclable material, biogradable materials, low energy consumption products is resource intensive while the subsequent outcomes of those products are not only advantaged to firms but also to the public in general since the environmental standards and policies would be achieved.

LIMITATIONS OF THE STUDY

The researcher encountered some limitations while conducting the study. Among these was that some respondents feared disclosing information and thought that filling in the questionnaires would amount to disclosing official information to a stranger. The researcher thus assured the respondents that the information given would not be disclosed to any other person and that the study was meant for pure academic purposes only. Funds were another limitation experienced in the study; the researcher needed a lot of funds to travel to the three companies seeking permission to administer the questionnaires.

REFERENCES


Hou Fang miao (2007). The research on green purchasing [D], Foreign Economic and Trade University. Implications for integrated product policy (IPP). *Journal of Cleaner Production* 13, 705-715.


