PROCUREMENT PROCESSES AND PROCUREMENT PERFORMANCE IN
SELECTED PROCURING ENTITIES OF RWANDA:

BY

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NOVEMBER, 2014
DECLARATION A

“This thesis is my original work and has not been presented for a Degree or any other academic award in any University or institution of Learning”.

NTABYERA JUVENARY LAURENT

05/11/2014

Date
DECLARATION B

"I confirm that the work reported in this thesis was carried out by the candidate under my supervision".

Name and Signature of Supervisor

Date

5/11/2014
DEDICATION

I dedicate this Masters Degree thesis to my beloved wife Kalinganire Dieudonnee and my children Agape, Manzi, Aaron and Eben whose love, efforts, moral and financial support have been and will always be for me, a source of inspiration and courage.
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for his critical reviews, expert advice, and regular availability to me throughout the course of my research work.

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I acknowledge the authors whose works have been cited in this study.

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<table>
<thead>
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<th>Abbreviation</th>
<th>Description</th>
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<tr>
<td>AMA</td>
<td>American Management Association</td>
</tr>
<tr>
<td>BPIN</td>
<td>Bank Personal Identification Number</td>
</tr>
<tr>
<td>CEO</td>
<td>Chief executive Officer</td>
</tr>
<tr>
<td>CVI</td>
<td>Content Validity Index</td>
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<tr>
<td>DPC</td>
<td>Development Procurement Committee</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>IT</td>
<td>Information Technology</td>
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<td>NAPA</td>
<td>National Association of Purchasing Agents</td>
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<td>NTB</td>
<td>National Tender Board</td>
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<tr>
<td>OECD</td>
<td>Organisation for Economic Corporation and Development</td>
</tr>
<tr>
<td>PLCC</td>
<td>Pearson’s Linear Correlation coefficient</td>
</tr>
<tr>
<td>PPDA</td>
<td>Public Procurement and Disposal of Assets</td>
</tr>
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<td>RPPA</td>
<td>Rwanda Public Procurement Authority</td>
</tr>
<tr>
<td>RPPL</td>
<td>Rwanda Public Procurement Law</td>
</tr>
<tr>
<td>SPSS</td>
<td>Statistical Package for Social Sciences</td>
</tr>
<tr>
<td>UK</td>
<td>United Kingdom of Great Britain and Northern Ireland</td>
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<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>UNCTD</td>
<td>United Nations conference on trade and Development</td>
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<td>US</td>
<td>United States</td>
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<tr>
<td>USA</td>
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<td>WTO</td>
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ABSTRACT

This study was meant to establish the relationship between the public procurement processes and the procurement performance in the selected procuring entities of Rwanda. The study was based on the following objectives: to establish the level of awareness and knowledge on the utilization of public procurement processes by public institutions in Rwanda, ii) to find out the role played by the Rwandan public procurement laws in ensuring value for money and good quality execution of contracts with in procuring entities of Rwanda, iii) to examine the level of Procurement performance in the selected public institutions in Rwanda, iv) to establish if there is any significant relationship between the procurement processes and the procurement performance of public institutions in Rwanda.

The study employed descriptive correlational design; data was collected using researcher devised questionnaires and an interview guide. The researcher used a Pearson correlation Coefficient (r) and the regression analysis to establish the relationship between the variables. In regard to Gender, men dominated the research with 61% of the respondents, majority 50% of the respondents fell in the category of 30-39 years, with majority 65.5% being married as and above all being educated to the level of a Bachelor’s with 59%. The study finding showed an average mean of 3.92 on the knowledge level on the utilization of procurement process in the selected public institutions in Rwanda which was interpreted to be satisfactory. About the role played by the Rwandan public procurement laws in procurement performance, the results revealed an average mean of 4.16 interpreted as very satisfactory.

The level of procurement performance revealed an average mean of 4.11, meaning it was also very satisfactory. The results showed a significant and strong relationship between public procurement processes (r = 0.888**, Sig.=0.008) meaning that performance is very much linked to the procurement performance as supported by the regression analysis that revealed a very significant relationship (Sig. 0.008) between profitability at a 95% level of significance. The researcher concluded that public procurement processes are the cornerstone on which procurement performance can be build. The researcher recommended that the government should promote lawfulness to ensure the sustainability of the procurement performance as he suggested building capacity of the pre-qualified contractors and the other government stakeholders so that they effectively become aware of the procurement cycle.
CHAPTER ONE:
INTRODUCTION

1.1 Background of the study

This chapter gives details of the Background of the study. It also covers the statement of the problem, objectives, Research Questions, scope, significance of the study and the operational definitions.

1.1.1 Historical Perspective of the study

The last decade of the twentieth century had witnessed massive global revolution in the public procurement in most countries (both developed and underdeveloped countries), Arrow Smith & Try bus (2003). These reforms are in the areas of Procurement Processes, Methods, Procurement organization structure and workforce. Prominent among these countries are Canada in December, 2003. Ghana also in 2003 and Sierra Leone which is still in the process after a civil war, as well as Gambia which has seen some level of success in its procurement reforms.

According to Organization for Economic Cooperation and Development (OECD), government expenditure on procurement was estimated to be US $2,000 billion in 1996 which represent 70% of world gross domestic product (GDP) and 30% of world merchandise trade (Organization for Economic Cooperation and Development, 2002). In Turkey, the government spends around US$25 billion on procurement only.

Traditionally, the legal framework for procurement activities in the public sector of Ghana was enormously minimal (Westing 1997, Work Bank 1996). Initially it was Ghana Supply Commission which was responsible for the procurement of all public goods. Their services were characterized by improper planning for required goods, lack of adequate database and problems in the timely acquisition of funds which resulted in late delivery. As a result of these developments, most public sector institutions decided to conduct their
own procurement activities. These procurements were done in a way that will help achieve the value for money.

The government of Rwanda in view of these developments stated a massive public sector procurement and financial management in 1996. The objective of procurement reform proposal were to (Ministry of Finance, 2001) promote national development, enhance harmony with other local and internal laws, foster competition, efficiency, transparency and accountability, facilities ease of procurement administration and ensure value for money in both developed and developing countries. They structured their procurement process such that, they will maximize procurement operational performance in order to achieve Value for Tax Payers Money. This brought about the Rwanda Public Procurement Act, 2007 in a bid to streamline and harmonize procurement rules, regulations and practices in the public sector.

In Malawi, it was estimated in 2005 that, public procurement constituted 40% of total expenditure, Uganda also had 70% (Development Procurement Committee, OECD 2005). The importance of public procurement call for assessment on how these procurement processes are conducted in an effort to achieve the main objective of the reform. After the passage of the Act, 2007, it was mandatory for all public sector institution to set up procurement department. This department will be responsible for implementing the Act (Act 663, 2003).

Kumasi Polytechnic responded to this call by setting up a procurement unit to streamline all procurement activities. In 2008, the public procurement audit revealed that some public institutions were not achieving value for money due to failure to adhere to the right procurement processes.

In Rwanda, public procurement account for about 70% of the national budget (after personal emoluments), 14 % of GDP, 24% of total imports, (world Bank CPAR 2003).
Thai (2009) has also contributed to this by arguing that Public procurement consumes a substantial amount of public money.

This research was to find out if the current procurement processes are helping to achieve the key operational performance of procurement, using public institutions as the case study.

1.1.2 Theoretical Perspective

This research was based on the Dialectics lens theory advanced by Van de Ven and Poole (1995).

The Dialectics lens theory begins with the Hegelian assumption that the organizational entity exists in a pluralistic world of colliding events, forces, or contradictory values that compete with each other for domination and control (Van de Ven and Poole, 1995). These oppositions may be internal to an organizational entity which may have several conflicting goals or interest groups competing for priority. But oppositions may also be external to the organizational entity.

Van de Ven and Poole (op. cit.) uses dialectical theory to explain change in organizations as occurring when the opposing values, forces or events gain sufficient power to confront and engage the status quo. These opposing forces are termed thesis and antithesis, thesis being the status quo or the ruling way of “doing things”. In such situation a new “synthesis” is developed which at a later stage becomes the status quo and again may be confronted by an opposing force. It must be added that the new situation or “way of doing things”, the synthesis is not necessarily progress to a better state.

As previously shown, findings from two case studies of procurement in local government identify different tensions in the procurement process (Moe et al., 2006). However dialectics serves a limited role as analytical lens in identifying conflicts. To understand why these conflicts arise and how different persons or subgroups involved influence the
process, other theoretical lenses are needed, and agency theory and stakeholder management theory ties well in with dialectics.

1.1.3 Conceptual Perspective

Procurement encompasses a range of activities such as needs assessment and documentation, selection and sourcing, requisition and approval, ordering, receiving, invoice processing and payment (S&A, 2003), often extending to contract management, maintenance and disposal. Procurement has been identified as one of the key areas for the application and integration of electronic commerce (e-Commerce) tools and techniques.

According to the OGC (2008) Public procurement is the process whereby public sector organizations acquire goods, services and works from third parties. It includes much that supports the work of government and ranges from routine items (e.g. stationery, temporary office staff, furniture or printed forms), to complex spend areas (e.g. construction, Private Finance Initiative projects, aircraft carriers or support to major change initiatives).

It can also be used to Public procurement means purchasing of goods, services or public works contracts by the contracting authorities that have been defined in the procurement law. Public procurement must follow the procedures that are stated in the law. The aim of these procedures is to ensure the efficient use of public funds, (Ministry of employment and the economy 2011).

Procurement Performance refers to the accomplishment of designed procurement tasks measured against preset known standards of accuracy, completeness, cost, and speed. In a contract, performance is deemed to be the fulfillment of an obligation, in a manner that releases the performer from all liabilities under the contract (Knight, et al, 2007).

Public procurement contracts represent a major share of any country’s GDP and public expenditure budget. According to data published by the European Commission in its recent Evaluation Report (2011), public procurement in the EU accounted for EUR 2100 billion in 2009, or 19% of GDP. These levels of expenditure alone provide sound reasons
for analyzing the performance of public procurement operations at all levels. The
overriding objective of a state's public procurement system is to deliver efficiency and
“value for money” in the use of public funds, whilst adhering to EU requirements and to
national laws and policies. Performance measurement is about seeking to answer the
fundamental question of whether the procurement system and operations ultimately
deliver in accordance with the main objectives set.

The procurement performance indicators presented in this guide are drawn from a larger
body of performance indicators identified through a review of several publications and
documents on the use of performance indicators. These indicators were selected based on
their ability to provide procurement managers key performance information on different
aspects of a procurement system, including cost, quality, and timeliness of processes,
system productivity, and system integrity. They are designed to provide timely, relevant,
and concise information for procurement managers to use to assess progress in achieving
pre-established procurement performance goals and targets.

1.1.4 Contextual Perspective

The research was conducted in the procuring entities of Kigali City council in Rwanda.
The study was targeted much on establishing the effective use of the procuring processes
by these procuring entities to mould the procurement performance. The research chose
Kigali city council as the area of study because it has the biggest concentration of public
procuring entities in Rwanda as compared to other districts.

The researcher realized in the literature with great concern that despite the processes being
effectively used, the quality supplied, the value for money, timeliness of payments, the
operational costs being high, failure to meet procuring targets, failure to minimize the
bidder complaints among others were the key issues that motivated the researcher to carry
out this study.

Like other areas within and outside Rwanda, the procurement function has not been given
the recognition it deserves in developing countries, in most public entities, regardless of
the effort by the partners like the World Bank, the International Trade Organization, the
United Nations Conference on Trade and Development, the World Trade Organization and others. This could be deliberate or sheer ignorance on the value the procurement function could contribute to any organization (Telgen, et al, 1997).

In most developing countries, the procurement function is transitioning from a clerical non-strategic unit to an effective socio-economic unit that is able to influence decisions and add value (Knight, et al, 2007; and Facolta di Economia, 2006). Developing countries in one way or another have reformed their public procurement regulations. The reforms have not been limited to regulations only, included public procurement process, methods, procurement organizational structure, and the workforce. The reforms have been as a result of joint effort with various development partners like the World Bank, International Trade Centre, WTO, and UNCTAD varying from country to country.

None the less, most developing countries are facing a problem of rapid changes in public procurement requirements. The changes are impacting pressure on how the procurement function performs its internal and external processes and procedures in order to achieve its objectives. The ability to realize procurement goals is influenced by internal force and external force.

According to the Director General of RPPA, Mr. Seminega Augustus, the successes are attributed to the vast experience acquired during the various stages of reforms that greatly resulted in a positive change in the public procurement system. Bernard Kayiranga, RPPA Director of legal service, also avers that this, together with the National Independent Review Panel on Public Procurement, made work easier for the Rwanda Public Procurement entities in as far as appeals and complaints are concerned.

However, Mr. Seminega recognizes challenges of capacity in public procurement process: lack of manpower of qualified procurement officers; lack of training and the lack of institutions to train the available procurement officers. He further records another challenge as the turnover which is characterized by mobility of labour. Once an officer has
acquired experience and the technical knowhow in procurement, it becomes hard to get a replacement when they leave, given that recruitment is expensive and getting the person with the required qualifications in Rwanda may not be easy.

It’s from this background that the researcher thought of establishing new knowledge on the relationship between procurement processes and performance by correlating the two variables.

1.2 Statement of the problem

Despite the effort by the governments of developing countries like Rwanda and development partners like World Bank to improve performance of the procurement function, public procurement is still marred by shoddy works, poor quality goods and services, poor response of bidders, delay in the delivery of goods and services or procured items, unreliable and misleading consultancy firms in intellectual services which all together account of the poor cumulative performance of the procurement sector.

The failure to implement or delayed implementation of recommended performance standards has resulted into not only unnecessarily high operation costs, uncoordinated business activities, but also failure to attract and retain experienced and skilled personnel in the procurement positions, thus affecting the function’s performance (David, 2002;).

It’s becoming very evident that the procurement functions of most public entities are not complying to set procurement process and performance procedures, leading to irregular and subjective decisions. (Rwandan Law on Procurement, 2007).

The above problem made the researcher motivated to establish if there is any significant relationship between the procurement processes and procurement performance in some of the public institutions to create new knowledge on which alternative policies to ease the problems for the continued service delivery.
1.3 Objectives of the study

1.3.1 General Objective of the study

The general objective of this study was to examine the relationship between the Public procurement processes and procurement performance in the Procuring entities in Rwanda.

1.3.2 Specific Objectives of the study

i. To establish the level of knowledge on the utilization of public procurement processes by Procuring entities in Rwanda.

ii. To examine the role played by the Rwandan public procurement laws in ensuring value for money and good quality execution of contracts with in Procuring Entities.

iii. To examine the mode of Procurement performance measurement by the procuring entities in Rwanda.

iv. To establish if there is any significant relationship between the procurement processes and the procurement performance of procuring entities in Rwanda.

1.4 Research Questions

i. To what extent are public procurement stakeholders in procuring entities knowledgeable on the utilization of public procurement processes?

ii. What role has been played by the Rwandan public procurement laws in ensuring value for money and good quality execution of contracts with in procuring entities?

iii. Does the public procurement processes guarantee the mode of Procurement performance measurement by the procuring entities in Rwanda?

1.5 Hypothesis

There is no significant relationship between the public procurement process and the procurement performance in Rwanda.
1.6 Significance of the study

- The findings of the study were to create new knowledge on procurement processes and performance in procuring entities of Rwanda.

- This research also becomes a useful source of reference for academic purpose for students, lecturers and other researchers who may conduct future research into procurement processes and its operational performance.

- It will continue serving as a guide for policy makers in any future decision making and contribute to the body of knowledge required by both researchers and policy makers.

- The research is the Collage of Higher degrees and research requirement for the award of a degree of masters of Business Administration, thus its successfulness defines the performance by the researcher to earn good marks for passing highly and acquiring a certificate for the completed master’s degree.

1.7 Scope

1.7.1 Geographical Scope

The study was conducted in selected public institutions with in Kigali city council in Rwanda. Being a city, Kigali has a big number of public institutions ranging from schools, hospitals, government ministries and lower local governments. Kigali city council is one of the five provinces of Rwanda. It boarders Rwamagana in the eastern Province, Kamonyi in the southern province, Shyoronji in the western province and Gicumbi District in the Northern Province. It is located at about 95Kms from Gatuna Boarder with Uganda.

1.7.2 Theoretical Scope

The study was based on the Dialectical theory advanced by Van de Ven and Poole (1995). The Dialectical theory begins with the Hegelian assumption that the organizational entity exists in a pluralistic world of colliding events, forces, or contradictory values that compete with each other for domination and control (Van de Ven and Poole, 1995).
1.7.3 Content Scope
The study examined the relationship between the public procurement processes and procurement performance in public institutions of Rwanda. Data was generated from the staff in the procurement department, companies involved in procurement and contracts and other procurement stakeholders like the contacts committees.

1.7.4 Time Scope
This study was conducted in a period of five months that is between February to the end of July 2014. This period was divided up into three phases, Data collection, Data presentation and analysis.

1.8 Definition of terms
Procurement Processes
Procurement process in this research study was used to mean the steps involved in acquiring goods, works and services through the system of tendering, evaluation of bids and contracting the successful bidder.

Procurement Performance
In this study, the researcher applied the term procurement performance to mean the measurement of the procurement targets against the accomplished procurement tasks in a given period of time.

1.9 Structure and organization of the thesis.
The thesis comprises of five chapters. Chapter one is the introduction which contains the Background, problem statement, purpose, objectives, Hypothesis, justification, the scope of the study, definition of terms and the organization of the thesis proposal.

Chapter two presents the conceptual perspective, the theoretical review of the literature, the empirical literature aligned to the study, related studies and the conclusions drawn from the literature.
Chapter three is a discussion of the Research design, Study Population, sample size, Sampling procedure, research instruments, Validity and reliability of the research instruments, data collection and analysis methods, Ethical considerations and Limitations of the study.

Chapter four of this study contains the presentation of findings, interpretations in form of tables, figures and charts. It also has the narrative explanations and correlations of the results and the data generated.

Chapter five of this research thesis has the lessons learnt, conclusions and recommendations on the data generated about the relationship between the Public procurement processes and procurement performance in the procuring entities in Rwanda.

The thesis has references of the reviewed documentaries, the transmittal letter for the respondents, letter of informed consent, a face sheet consisting of the profile of the respondents, the research questionnaires and the researcher's curriculum Vitae.
CHAPTER TWO:

LITERATURE REVIEW

2.1 Introduction

This chapter is concerned with reviewing the general literature on procurement processes and performance. It then outlines the procurement process model; key performance indicators and theoretical framework of the research.

2.2 Theoretical Review

2.2.1 Dialectical theory

This research was based on the Dialectical theory advanced by Van de Ven and Poole (1995).

The Dialectical theory begins with the Hegelian assumption that the organizational entity exists in a pluralistic world of colliding events, forces, or contradictory values that compete with each other for domination and control (Van de Ven and Poole, 1995). These oppositions may be internal to an organizational entity which may have several conflicting goals or interest groups competing for priority. But oppositions may also be external to the organizational entity.

In this theory, Van de ven claim that Procurement can be viewed as involving at least two parts with different goals, a buyer and one or more vendors competing for the contract. However in addition to the agency relationship between buyer and competing vendors, there may be a number of internal stakeholders possibly with conflicting goals, adding complexity to the procurement process. These groups of internal stakeholders may include IT staff, procurement personnel, users, user representatives, line managers, financial officers and cost controllers. These may have conflicting interests even though there may not be an agency relationship between them; one common observation is that different user groups in different parts of a business may have conflicting requirements. This is where stakeholder management theory may be helpful.
Van de Ven and Poole (op. cit.) uses dialectical theory to explain change in organizations as occurring when the opposing values, forces or events gain sufficient power to confront and engage the status quo. These opposing forces are termed thesis and antithesis, thesis being the status quo or the ruling way of “doing things”. In such situation a new “synthesis” is developed which at a later stage becomes the status quo and again may be confronted by an opposing force. It must be added that the new situation or “way of doing things”, the synthesis is not necessarily progress to a better state.

As previously shown, findings from two case studies of procurement in local government identify different tensions in the procurement process (Moe et al., 2006). However dialectics serves a limited role as analytical lens in identifying conflicts. To understand why these conflicts arise and how different persons or subgroups involved influence the process, other theoretical lenses are needed, and agency theory and stakeholder management theory ties well in with dialectics.

2.2.2 Relevance of the theory in this research

Using dialectics as research lens in my research implies identifying challenges and dilemmas in terms of dialectical contradictions or theses and antitheses, and through data collection also identifying possible synthesizes or solutions. These may be in the form of work around, e.g. by specifying requirements which favor other goals than just costs. As previously shown, findings from two case studies of procurement in local government identify different tensions in the procurement process (Moe et al., 2006).

However dialectics serves a limited role as analytical lens in identifying conflicts. To understand why these conflicts arise and how different persons or subgroups involved influence the process, other theoretical lenses are needed, and agency theory and stakeholder management.

Eisenhardt (op. cit.) discusses the assumptions of the theory and raises the issue of principals learning about the agents when there is a long term relationship, when there
may be less need for outcome-based contracts. This may be more the case with procurement in the private sector, where there are fewer regulations than in the public sector, and where tendering is not required. Private businesses are free to have long term relationships with software developers and consulting firms. Jones (1995) suggests that long term relationships with vendors may in the long run lead to higher effectiveness, due to the stability of the relationship being dependent on controlling goal conflicts.

2.2.3 Assumptions of the theory

Dialectical theory assumes that the organizational entity exists in a pluralistic world of colliding events, forces, or contradictory values that compete with each other for domination and control (Van de Ven and Poole, 1995).

It also assumes that Private businesses are free to have long term relationships with software developers and consulting firms as Jones (1995) suggests that long term relationships with vendors may in the long run lead to higher effectiveness, due to the stability of the relationship being dependent on controlling goal conflicts.

These oppositions may be internal to an organizational entity which may have several conflicting goals or interest groups competing for priority. But oppositions may also be external to the organizational entity. Van de Ven and Poole (op. cit.) uses dialectical theory to explain change in organizations as occurring when the opposing values, forces or events gain sufficient power to confront and engage the status quo. These opposing forces are termed thesis and antithesis, thesis being the status quo or the ruling way of “doing things”. In such situation a new “synthesis” is developed which at a later stage becomes the status quo and again may be confronted by an opposing force. It must be added that the new situation or “way of doing things”, the synthesis is not necessarily progress to a better state.
2.2.4 Criticisms of the Dialectics Lens Theory

There are also challenges in acquiring or procuring IS consulting services. These challenges include difficulties in specifying requirements, risks of incurring costs and problems inherent in outsourcing firm specific knowledge to external consultants, Dawson and his co-authors (Dawson et al., unpublished) expand on this. One additional problem which may be crucial, is the information asymmetry between the professional consultant and the client (Sharma, 1987). Whereas the consultant has specific knowledge about the clients needs and about the types of Information Systems that may be relevant, the client does not know how the professional does the job, or what he or she does. This information asymmetry makes it difficult for the client to know beforehand how much service is actually needed, and it makes it difficult to evaluate the quality of the service supplied.

These challenges are probably greater in the public sector than in the private sector. One specific challenge of public sector is the strict regulations concerning procurement and public tendering. Public entities are required to publicly announce call for tenders for all procurements above a certain threshold value in member states in EU, and in the EEA area, of which Norway is a part of. This includes local government, central government, directorates and other public agencies. Another challenge is the magnitude of some of the ICT projects, both in terms of scope and volume; it is well known that increase in scope adds risk. There are several incidents of huge overruns in time and costs, such as the Golf project for the Norwegian defense (Riksrevisjonen, 2008, Dagens, 2008) or the NHS Programme for IT in England (BBC, 2009, BCS, 2008). However there is limited research on dilemmas public sector faces between possible conflicting challenges.

Public sector also has the complexity of satisfying different needs and different stakeholders. According to Boyne (Boyne, 2002) the main conventional distinction between public and private organizations is their ownership; whereas private sector are owned by a limited group of entrepreneurs or shareholders, public agencies are owned collectively by members of political communities. Boyne (op. cit.) further argues that organizations that are subject to political rather than economic controls are likely to face multiple sources of authority that are potentially conflicting. As will be shown later there
is limited research on this specific issue, hence research on what role different stakeholders play, is needed.

Due to the magnitude and complexity of procurement of IS in public sector the potential benefits of better knowledge of how the processes of procurement actually are carried out, and how they may be carried out, can lead to considerable benefits in terms of better information systems. Before introducing my research questions in detail and the theoretical foundation, I will give a brief and currently also fairly overview of research on procurement, with a focus of procurement of IS and IS consulting in public sector.

2.3 Conceptual framework

A conceptual framework is a diagrammatic representation of the relationship between the independent variable and dependent variables and their outcomes. The conceptual framework below illustrates the relationship between Public Procurement Processes and the procurement performance in the selected public institutions of Rwanda.

<table>
<thead>
<tr>
<th>Independent Variable (IV)</th>
<th>Dependent Variable (DV)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Public Procurement Processes)</td>
<td>Procurement Performance</td>
</tr>
<tr>
<td>The Procurement Process</td>
<td>Measurement of Performance</td>
</tr>
<tr>
<td>· Identification of the needs</td>
<td>· Value for money and transparency</td>
</tr>
<tr>
<td>· Determine Specifications</td>
<td>· Effective supply</td>
</tr>
<tr>
<td>· Sourcing and Bid Invitation</td>
<td>· Timely delivery of goods and services</td>
</tr>
<tr>
<td>· Bid Evaluation</td>
<td>· Quality assurance</td>
</tr>
<tr>
<td>· Negotiation and Approval</td>
<td>· Compliancy reports of successful bid process</td>
</tr>
<tr>
<td>· Ordering and Contracting</td>
<td>· Competitiveness</td>
</tr>
<tr>
<td>· Delivery and Receiving</td>
<td>· Timely Payment</td>
</tr>
<tr>
<td>· Payment</td>
<td></td>
</tr>
</tbody>
</table>

Source: Researcher Devised 2014

In this illustration presented here above, there is a clear description of the independent and the dependent variables under study. The independent variables present a significant relationship on the dependent variable in both positive and negative ways.
Procurement Process

Lysons and Farrinyton (2006) defined a process as a set of sub processes or stages focused on achieving an output. Procurement process is a cycle or chain that shows the activities that procurement goes through in obtaining a given need for operational and strategic purpose.

Wan Lu (2007) argues that process consists of flow chart and blue print to describe a process in pictures using symbols with arrow lines connecting each operational step. (Weele, 2010 p. 29) has described and grouped the process of procurement into six different stages as specification, select suppliers, give contract or ordering, expediting and evaluation of the entire procurement process.

Monczka, Trent and Handfield, (2003) argue in the same line as Weele, but presented the procurement process as cycle with five stages instead of six that Weele is talking about. These stages will differ according to the nature of procurement and the individual organization in question. This means that, if the product is straight re-buy, modified re-buy and new task all together will determine the stages that will be involved or chosen in obtaining that particular need(s) from an identified and evaluated source.

The Procurement Process model shows the various steps and stages that a particular procurement activity follows in meeting operational requirement these stages have detailed action which need to be done before progressing to the next stage.

Need Identification

The procurement process model begins with identification of need(s) for operational sustainability of the organization. These needs are determined by daily activities of individuals and departments which are consolidated to become the overall organization need. This information on most organization become the basic information or input for the budget and procurement plan for a given period. This stage is considered as part of the per-ordering stage, (Emmett& Crocker, 2008).
Lysons and Farrington (2006) also argue that this stage is characterized with the notification of need to purchase by either requisition that will be raised by the stores stock control or any potential user.

Public sector procurement process has a similar phase which starts with the identification of operational requirements which are determined and specified by the user which are subsequently consolidated as a composite requirement for the procurement of annual procurement plan which according to the procurement Act, of 2007 is mandatory for every public sector institution to have. The approach is decided; including consideration such as whether to produce the product(s) in house or source them externally. The goods work or services may be available under existing framework contract. Decision will be taken on funding the applicable procurement rules and the method of procurement, which should be used (e.g open or restricted tendering, request for quotations or proposals single source, etc.). A timetable for procurement process is prepared to serve as a guideline (Act 2007).

**Determine Specification**

Specification is second stage of the procurement process model after the need has been identified. Specification can therefore be defined as a communication tool used by procurement to communicate the need of the organization to the external users that has interest in the product or service in question (Sollish and Semanik 2007, Bailey et-al 2005 & Weele 2010).

There are various forms of specification which are technical, functional, performance, sample, brand and design (Lysons and Gillingham 2003, Lysons and Farrington 2006, Baily et al 2005 Burt, Dobler and Starling 2006).

The technical specification gives a highly detailed description or technical properties and activities to perform by the product. Performance gives the output range within which the item must function; whereas the function type ensures the product performance; fit for the purpose
or what it has to achieve. Sample type gives a guide as suitability especially where specification is very difficult to write. This however limits competition to some extent in perfect competitive environment.

Brand specification also denotes customers’ preference. One of these of specification is usually adopted in any procurement. However, each has its own merit and demerit side which need to be identified and analyzed before choosing a type. Procurement contributes by providing information on the available supply; identification of risk on suppliers and products, where to use standardization to avoid unambiguous specification and promote competition in Rwanda, the public procurement Act, of 2007 requires that, specification preparation should be devoid of brands which will not limit competition but rather present specification which open to everybody to participate in order to achieve value for money.

**Sourcing and Invitation to bid**

This stage is identification of location of supply in the market place based on material requirement. As part of the activities at this stage, the attractiveness of the market in terms of its expansion and contraction will influence the number of suppliers. This source can be identified through the internet trade journals, trade exhibition yellow pages of telephone directorate and suppliers’ data base of the organization. In this regard (Weele, 2010) suggested that the source should be identified and evaluated simultaneously instead of treating it as a separate stage in the procurement cycle.

In Rwanda, the Public Procurement Law of March 2007 defines sourcing to include pre-qualification of potential suppliers, preparation and issue of tender documents, requests for quotation or for proposals, evaluation of responses and the selection of successful tender which constitute the entire sourcing process.

Lysons and Farrington (2002) also argue in the same line by saying that, sourcing stage includes, activities or processes like enquires or request for quotation which are sent to
suppliers, accompanied by additional documents, such as drawings, specification and any document or information that will enable potential suppliers to submit a quotation.

**Bid Evaluation**

This stage is very important in the procurement cycle because this determined the quality of the output (product) to be procured. Suppliers are asked to give information on the following: details of the organization, financial details, equipment and facilities, management skills and reference to assess the capabilities of that particular source before it will allow providing information (quotation or tender) on the product or service, Emmert & Crocker, (2008). This stage determines the technical and financial capabilities and competencies of the source identified. Public sector procurement in Rwanda defined this stage as the analysis of information that has been submitted by potential sources. This stage has been divided into four distinct stages which start from the preliminary selection of tender with already determined criteria.

The second stage is the commercial evaluation which emphasis on delivery period proposed by the buying institution and supplying institution. The terms of payment are also evaluated at this stage and other terms which are considered as commercial and at this stage to form part of the contract. Lysons and Farrington added their views that, if quantities are substantial and quality or deliveries are great importance, then further negotiation with the suppliers on capacity to undertake such contract should be done which the procurement Act is in support of this.

**Negotiation and Approval**

Negotiation can be defined as conflict resolution mechanism. (Lysons & Grillingham, 2006) and (Burt, Dobler & Starling, 2006) add that negotiation is where substance issues are properly resolved, relationship can be developed and an agreement reached in enhancing performance to attain efficiency and harmonization.

Most private sector organization will start to negotiate with supplier after source evaluation which subsequently leads to the award of contracts. However in the public sector, certain
condition must prevail before negotiation will be allowed as a method of procurement. These conditions according to (Mckinsey, 2009), (Carter & Kirby, 2006) and (Dominic, 2004) must prevail; when sole source action has been approved; suspected "Cartel" amongst the suppliers; when competitive tendering is not feasible and when country’s regulation allows for negotiation. For instance, the (Public Procurement Act, 2007), does not allow public sector institution to negotiate. This can however be allowed after the contract has been awarded and competitive tendering or any other method prescribed by the Act was used, and further clarification on some of the terms are needed to in prove performance and relationship building. This stage of the procurement process is allowed, if adequate planning and research are made, (Dominic, 2004, Burt, Dobler & Starling 2006, Milligan & Blockley, 2009).

All these writers have suggested adequate preparation should go into planning and information gathering and analysis, clear objectives should be to serve as a guide for the negotiation team in terms of what needs to be to say and done to arrive at a win-win situation. Based on these premise, conclusion can be drawn by saying that negotiation can only be successful if adequate plan is done by the buyer and negotiation team.

**Ordering and Progressing**

After evaluating and negotiation is signing of contract based on the agreement reached at the previous stage of the process. A notification of order or contract will be issue to the successful supplier or contractor to deliver the product or service.

Like Rwanda, Ghana’s public procurement Act, (663, 2003) requires that a formal contract document be drawn up, using the agreed terms and condition and sign by both parties. Simpler requirements may be use a procurement order or where framework contract exist, contracting may consist of placing a call-off order under an existing contract (Emmet& Crocker, 2008).

In another way; buyers will negotiate call-off agreement which will be valid for some specific period. This presupposed that the activities of contracting and ordering will be different activities as indicated by (Emmet& Crocker, 2008), (Otterheim& Strands, 2006) are of the
view that procurement function can add value at this stage if corrective measures are developed such as efficient ordering and routine checking that will ensure that all procurement orders are received and confirmed by suppliers; maintenance of a data base of critical procurement and supplier information and taking effective and immediate decision when required.

Emmett & Crocker, (2008) argue that it is not important to spend time progressing and expediting orders which to them are seen as being an admission of defeat. They continue to suggest that collaborative supply chain thinking will solve major problems that are likely to come up and improved performances tremendously.

Delivery of Goods, works and service
Early delivery can be achieved if effective progressing work is done well. One objective of Procurement is to ensure early competition of contract to serve intended need. Delivery involves checking products and services with agreed specification and notified the system of receipts and payments. The time taken to do this will impact on the overall. Supply lead time if corrective measures are not taken, (Otterheim & Strands, 2006).

In Rwanda, the public sector procurement stipulates that the contract should be managed by both the buyer and the supplier to ensure early delivery. Activities may include; expediting, arranging inspection or freight forwarding chock bank guarantees, establish letters of goods, verification of document and making payment. In other to enhance early delivery of order Lysons and Farrington (2006) are of the view that expedite work should be done to ensure that delivery is done within agreed period to avoid contractual disputes.

Payment
Payment of goods procured will largely depend on the terms of contract (payment terms). If the payment terms indicate pre-payment or finance of contract, then payment is probably effected at the early stage of the procurement process before goods are delivered. However if
the payment terms affirm payment after delivery and submission of the approved documentation, then that will be the last before reviewing of the entire procurement process.

Reviewing of the whole contract process can be done from any angle of the procurement process. It is done to know the performance of procurement function and subsequent improvement if any. The extent of reviewing, monitoring and control allocated will depend on the importance of the product or service being procured in relation to the business strategy. (Emmett & Crocker, 2008) and (Otterheim & Strand, 2006) however, argue that, activities at this stage can include setting warranty claims and penalty clause, recording the user’s experience with the specific products and suppliers and total compliance pre-project.

This reactive approach to procurement can be avoided if corrective measures are taken to obtain the right products or services. If not properly managed can lead to a dispute arising. Proactive strategies can be adopted by procurement management to solve problems raised at this stage of the process.

The above Public procurement process is governed by procurement principles to help the procurement and contracts committees to execute their duties effectively. According to the Public Procurement Law in Rwanda, the mandatory procurement principles are, transparency, competition, economy, efficiency, fairness and accountability, which if properly adhered to may call for a successful procurement procedure.

2.4 Related Literature

2.4.1 Knowledge of utilizing of public procurement processes by Procuring entities.

In a review of the importance of the procurement function and the need to have coherent methods of performance of the procurement function, it is necessary to investigate the measures that would enhance procurement efficiency and effectiveness of the purchasing function. (Knudsen, 1999).
Apparently the issue of procurement processes seems to be held responsible for the poor performance of Procurement in the procuring entities and has not been solved in developed countries. There is still a knowledge gap on how the procurement process can contribute to improved performance of the procurement function in developing countries. Chief Executive Officers (CEOs) of organizations are often heard saying “the procurement function is not performing well”. The issue of generalizing that the procurement function is not performing without indicating the criteria used to reach that conclusion or just basing it on financial statements is not reasonable. Only when the procurement function is well planned, it is easy to identify areas where it is performing well, and where there is need for improvement (Department of Public Works, Queensland Government, 2007).

A previous paper on public procurement (Moe et al., 2006) shows some of the complexity with public procurement processes, and the need for more research on this topic. The paper reports from two different case-studies in a Norwegian municipality on procurement processes involving fairly complex information systems. The findings from the cases include that the vendors perceived the standard contracts developed by the Norwegian state agency; results reveal the processes being transparent and being very much in favor of the public entities using them. The findings also indicate tensions or dilemmas concerning creating requirement specification up front and doing the system specification as an integral part of the procurement process, and other dilemmas related to negotiations and fixed price contracts.

In July 2011, Ardent Partners published a research report that presented a comprehensive, industry-wide view into what is happening in the world of procurement today by drawing on the processes, experience, performance, and perspective of nearly 250 Chief Procurement Officers and other procurement executives. The report includes the main procurement performance and operational benchmarks that procurement leaders use to gauge the success of their organizations. This report found that the average procurement department manages 60.6% of total enterprise spend. This measure commonly called "spend under management" refers to the percentage of total enterprise spend (which includes all direct, indirect, and services spend) that a procurement organization manages or influences. The average
procurement department also achieved an annual savings of 6.7% in the last reporting cycle, sourced 52.6% of its addressable spend, and has a contract compliance rate of 62.6%.

2.4.2 Public procurement laws on ensuring value for money and good quality execution of contracts with in public institutions.

Procurement law was drawn to make the public procurement more effective and cost efficient. It also improves the process of purchasing quality products and increases fair competition between different companies and organizations in the market. The main principles in public procurement include organizing the procurement operations in such a way that they produce the most cost efficient and well-planned results and taking into account the environmental issues. The procurement process has to be implemented on a fair basis openly without discriminating any of the participants. Framework agreements and joint procurement can be used as a tool for reducing administrative work. (Act on Public Contracts 2007/348.)

The different variations of public contracts such as public works contracts, public supply contracts and public service contracts are defined in detail in the procurement law. Also other definitions such as “supplier” and “tenderer” are specified to avoid the possible misunderstandings. Restricted and negotiated procedures are examples of procurement procedures that need to be taken into account when organizing public procurement. Technical standards and specifications have been set up to define the technical requirements that need to be met. (Act on Public Contracts 2007/348.)

Contracting authorities including state and municipal authorities, the Evangelic Lutheran Church, state enterprises and bodies that are governed by public law are determined in the procurement law. The threshold for national public tenders is EUR 30,000 and for EU tenders it is EUR 130,000. (Act on Public Contracts 2007/348)

The new rules on public procurement and concession contracts approved by the EU Parliament for ensuring better quality and value for money when public authorities buy or lease works, goods or services as already agreed with Council in June 2013, sets common EU standards on concession contracts to boost fair competition and ensure best value for money.
by introducing new award criteria that place more emphasis on environmental considerations, social aspects and innovation. (EU press release 15 January 2014). In his own words Marc Tarabella (S&D, BE) the Parliament's rapporteur for procurement is quoted as presenting that

"The new rules send a strong signal to citizens, who have the right to see public money used effectively."

On the best value for money he added that;

"Thanks to the new criterion of the "most economically advantageous tender" (MEAT) in the award procedure, public authorities will be able to put more emphasis on quality, environmental considerations, social aspects or innovation while still taking into account the price and life-cycle-costs of what is procured. "The new criteria will put an end to the dictatorship of the lowest price and once again make quality the central issue."

On the red tape for bidders and easier access for smaller companies Marc noted that;

"The bidding procedure for companies is made simpler by the law, with a standard "European Single Procurement Document" based on self-declarations. Only the winning bidder will have to provide original documentation. This should reduce the administrative burden on companies by over 80%, the Commission estimates. The rules also encourage the division of contracts into lots to make it easier for smaller firms to bid".

In the hype of the procurement laws, Philippe Juvin (EPP, FR), rapporteur for concessions contracts is also quoted saying;

"New rules on concessions contracts are also a strong signal in favour of a reinforcement of the internal market. They set up a healthy economic environment from which all actors, including public authorities, economic operators and, in the end, EU citizens, will benefit: now the rules of the game will be known to everyone."

In a similar context, the UN Model Law on Public Procurement (2011) contains procedures and principles aimed at achieving value for money and avoiding abuses in the procurement
process. The law seeks to promote objectivity, fairness, participation and competition and integrity towards achieving its procurement performance goals. Transparency is also a key principle, allowing visible compliance with the procedures and principles to be confirmed. The 2011 Model Law replaces the 1994 UNCITRAL Model Law on Procurement of Goods, Construction and Services. While the 1994 text was recognized as an important international benchmark in procurement law reform, in 2004, the Commission agreed that the 1994 Model Law would benefit from being updated to reflect new practices, in particular those resulting from the use of electronic communications in public procurement, and the experience gained in the use of that Model Law as a basis for law reform. Nonetheless, the principles and main procedures from the 1994 text, the foundation of its success, have not been changed.

The Model Law allows government purchasers to take advantage of modern commercial techniques, such as e-procurement and framework agreements, to allow it to maximize value for money in procurement. The Law contains procedures to allow for standard procurement, urgent or emergency procurement, simple and low-value procurement, and large and complex projects (in which, and where appropriate, the government can interact with potential suppliers and contractors to obtain the best solution to its needs). All procedures are subject to rigorous transparency mechanisms and requirements to promote competition and objectivity. All decisions and actions taken in the procurement process can be challenged by potential suppliers. While the government purchaser therefore has discretion in deciding what to purchase and how to conduct the procurement, that discretion is subject to safeguards that are consistent with other international standards - notably, those imposed by the United Nations Convention Against Corruption.

From the use of 1959 law in public procurement in Rwanda to the Public Procurement Law enacted in April 2007, Rwanda moved towards a national public procurement system which respects international standards. As in many other countries, the use of the Country Procurement System in Rwanda was adapted following the Paris Declaration on Aid effectiveness endorsed on 2 March 2005 and Accra Agenda for Action drawn down in 2008 that is embedded in a set of five inter-related principles whose aim was to make aid more effective and accountable to the benefiting communities. The declaration’s commitments and
targets reflect the lessons donors and partner countries have learnt about how to make aid more effective in reducing poverty.

As far as public procurement improvement is concerned, the National Tender Board (NTB) was created in 1997 with the aim of managing and modernizing the public procurement system. Though the NTB contributed a lot in improving the procurement system in Rwanda, it was very crucial to reform the institution to make it more decentralized with ad-hoc organs to challenge the new board. A number of reforms were initiated. The promulgation of the Organic Budget Law in September 2006 and the Public Procurement Law in April 2007 along with the establishment and operation of their respective regulatory bodies are obvious examples of significant achievements.

Further, the literatures reviewed shows that a significant portion of public spending occurs through the public procurement process (for example in 2006, public procurement accounted for 52% of the total public funds expenditure). It is very crucial to assure a sound and transparent system of public procurement because of its impact on the economic and governance issue. The role of the private sector and civil society has to be strengthened. In recognition of what has taken place in the recent past in the area of public procurement, Rwanda has been chosen as a pilot country to use its own country system in public procurement in some projects funded by the World Bank.

It is thus in the interest of the researchers that financial performance should NOT be the only measure to conclude the performance of the procurement function thus intangible performances like quality of procured goods and services, timely delivery of orders, customer satisfaction, dependability, flexibility and quality of employees should all be included. Therefore, the purpose of this study was to identify how the procurement process can contribute to improved performance of the procurement function. Indeed, the measures will enhance procurement efficiency and procurement effectiveness of the purchasing function as different models have shown how procurement process has a link to improved performance (Department of Trade and Industry, 2008).
2.4.3 The relationship between the procurement processes and the procurement performance of public institutions in Rwanda.

With specific reference to the PPDA Act (2003) in Uganda, there is a clear description on how public procurement may be conducted through the procurement cycle. The roles and responsibilities of public entities are limited to the procurement cycle presented in the conceptual framework above in executing their activities. Regardless of the effort by the PPDA and the acknowledgement that the procurement department is capable of adding value to the organization still a large number of the internal customers act on their own and more frequently bypass the procuring department (Schiele & McCue, 2006). The main reason for this is ignorance of how the public procurement operates (Telgen, Zomer, & de Boer, 1997). The purpose of the procurement cycle was to encourage competition among suppliers, professionalism, good business ethics and non discrimination among others (PPDA, 2007).

Performance when adopted will provide the decision-makers in the procurement department with unbiased and objective information regarding the performance of the procurement function (Knudsen, 1999). However, for a public entity in a developing country to conduct procurement performance there are numerous challenges that are encountered: i) there are many ways of measuring that may be in use, ii) most measures are irrelevant iii) there is no way of standardizing the measurements and iv) conducting performance measurement is costly. The reasons for these challenges were given by Centre of Excellence London (2006): i) inaccurate information ii) lack of a link between procurement measures and corporate objectives iii) measurement of procurement performance is regarded as an overhead and not an integral part iv) people do not understand the benefit of measuring procurement performance and v) interference of other stakeholder and mainly the measures were developed in a different environment.

In a related literature Procurement can be viewed as involving at least two parts with different goals, a buyer and one or more vendors competing for the contract. However in addition to the agency relationship between buyer and competing vendors, there may be a number of internal
stakeholders possibly with conflicting goals, adding complexity to the procurement process. These groups of internal stakeholders may include IT staff, procurement personnel, users, user representatives, line managers, financial officers and cost controllers. These may have conflicting interests even though there may not be an agency relationship between them; one common observation is that different user groups in different parts of a business may have conflicting requirements. This is where stakeholder management theory may be helpful. Eisenhardt and agency theory has been influential development of stakeholder theory (Jones, 1995, Hill and Jones, 1992).

2.4.4 Level of Procurement performance measurement in public institutions

In view of the importance of the procurement function and the need to have coherent methods of performance of the procurement function, it is necessary to investigate the measures that would enhance procurement efficiency and effectiveness of the purchasing function. (Knudsen, 1999).

Apparently the issue of procurement processes seemed to be held responsible for the poor performance of Procurement in public Institutions and has not been solved in developed countries. There is still a knowledge gap on how the procurement process can contribute to improved performance of the procurement function in developing countries. Chief Executive Officers (CEOs) of organizations are often heard saying “the procurement function is not performing well”. The issue of generalizing that the procurement function is not performing without indicating the criteria used to reach that conclusion or just basing it on financial statements is not reasonable. Only when the procurement function is well planned, it is easy to identify areas where it is performing well, and where there is need for improvement (Department of Public Works, Queensland Government, 2007).

The literatures reviewed reveal that, organizations have concentrated on costs or savings as the sole indicator of procurement performance. If costs and expenditures decline, the purchasing function will be praised, while if savings decline, the purchasing function will be queried. It is as if the purchasing function is established to focus on minimizing costs while maximizing efficiency. Financial measures ignore market dynamics and increased complexity.
in acquisition of goods and services for public entities (Lardenoije, Van Raaij, & Van Weele, 2005).

With recent developments in procurement, it is significant that what is measured is not only important to the entity/organization but should also cover all core areas and activities of procurement but the reverse is always true (Department of Public Works, Queensland Government, 2006).

Though purchasing performance may mean different things to different people (CIPS Australia, 2005), its focus on financial and non financial benefits, efficiency of procedures, and effectiveness, and ability to establish a range of measures to evaluate procurement activities, is noticed by many (Department of Public Works, Queensland Government, 2006). However, coming up with a precise meaning of purchasing performance is still difficult. This is because purchasing performance covers broader areas of procurement, for instance: performance of the purchasing function, the purchasing department, the purchasing process on a given contract, employees of the procurement department, the supplier base and many others (Knudsen, 1999).

Public procurement has been a neglected area of study (Thai, 2001). Currently there is little work on the process of procurement of information systems, and quite a lot of the work on procurement of IS seem to focus on the use of public procurement as an instrument for advancing specific technology solutions (Sieverding, 2008), for advancing innovation (Hommen and Rolfstam, 2009), or they are documentary, explaining the situation in a certain country (Telgen, 2006). There is also work on e-procurement in public sector (Hsiao and Teo, 2005, Hardy and Williams, 2007, Moon, 2005), but as previously shown procurement of IS is generally too complex to do completely online. Hence e-procurement lies outside the scope of my research.

In a related research by Patrick Kakwezi of Makerere University in 2006, He reports that the procurement functions of most public entities were not complying to set procurement process
and performance procedures, leading to irregular and subjective decisions (PPDA, 2006) sighting further more that the decisions have had costly consequences for any public entity, and the country at large. Inspite of the recent history of the country, there is tremendous success in as far as governance is concerned in Rwanda. This success is reflected in the fact that in only 2 years Rwanda advanced from the 111th (2007) to the 89th (2009) on the Transparency International’s CPI ranking.

2.4.5 Gaps Identified in the literature review

While various governments are encouraging public sector agencies to adopt e-procurement its implementation has not been a smooth transition, and the rate of e-Procurement implementation success has been less than spectacular. "Government e-procurement projects have been notoriously unsuccessful" (Steinberg, 2003). The development and implementation of e-Procurement has not been as easy as some of the solution providers suggested, nor has it brought the claimed savings. Furthermore, engaging suppliers in the process, especially smaller organizations, is also proving to be difficult given the levels of investment expected of them in their provision of catalogue information to buyers, and marketplaces using different technologies, platforms and business languages (OGC, 2002). Although a number of public sector agencies are actively pursuing e-Procurement, evidence from business press reveals that many of the efforts are not meeting original expectations.

Despite the benefits that can be achieved from a successful e-Procurement initiative implementation in the public sector, the business press has reported a number of failures of e-Procurement initiatives in a number of public sector agencies in the USA, UK and New Zealand in recent years. The major reasons can be linked to the issues raised in the previous paragraph: complexity, compatibility, an absence of savings and unwillingness of markets to participate. As Heywood et al (2002) observe, "it is by no means certain that all the potential of e-procurement will be realized and it is inevitable that huge sums of money, and considerable effort, will be wasted by some organizations in pursuit of the business benefits".

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In most developing countries, the procurement function is transitioning from a clerical non-strategic unit to an effective socio-economic unit that is able to influence decisions and add value (Knight, Harland, Telgen, Thai, Callender, & Mcken, 2007; and Facolta di Economia, 2006). Developing countries in one way or another have reformed their public procurement regulations. The reforms have not been limited to only, included public procurement process, methods, procurement organizational structure, and the workforce. The reforms have been as a result of joint effort with various development partners like the World Bank, International Trade Centre, WTO, and UNCTAD from country to country.

None the less, most developing countries are facing a problem of rapid changes in public procurement requirements. The changes are impacting pressure on how the procurement function performs its internal and external processes and procedures in order to achieve its objectives. The ability to realize procurement goals is influenced by internal force and external force. Interactions between various elements, professionalism, staffing levels and budget resources, procurement organizational structure whether centralized or decentralized, procurement regulations, rules, and guidance, and internal control policies, all need attention and influence the performance of the procurement function.
CHAPTER THREE
METHODOLOGY

3.1 Introduction
This chapter presents the research design, research population, and sample size, sampling procedure, research instruments, validity and reliability of the research instruments, data gathering procedures, data analysis, ethical considerations and limitations of the study.

3.2 Research Design
This study employed descriptive and correlation research design. Descriptive design concerns with describing situations as they are and hence aim at providing a description that is as factual and as accurate as possible. On the other hand, correlation research design helps determine whether and to what degree a relationship exists between two or more variables. Thus descriptive and correlation research design will be used because: This research design gives information as it is. And it enables an individual to do a thorough study using variety of tools like correlations, regressions and these are very pertinent for the completion of the study.

3.3. Research population
These respondents were selected from Rwanda public procurement Authority, Rwanda Revenue authority, Rwanda Bureau of standards, Rwanda National Examination Council, Public Sector Capacity Building Secretariat, University of Rwanda Collage of Education, University of Rwanda Collage of Business, University of Rwanda collage of Science and Technology, National of Rwanda, Bele com. ltd, Rwanda Development Board, National Prisons Service, National Curriculum Development Centre and Commission for UNESCO-Rwanda Office. The total number of procuring entities used in the research was 14 procuring entities which gave a target population of 210 respondents from which the sample of 138 respondents was obtained. This is because of the nature of the primary data needed by the researcher in order to carry out the study that these institutions were selected.

The researcher included all the large procuring entities in Kigali city council and the staff, contracts committees in these entities, and their clients became the respondents to the research study. The procuring entities considered for the study were chosen on the basis of having a
large clientele base and a wide coverage area. The details of the distribution of respondents in
given in the table illustrated below;

3.4 Sample size

The sample size was obtained from the 210 target population determined by sloven’s formula,
because the population size is known. That formula is given and explained as below:

\[ n = \frac{N}{1 + N (0.05)^2} \]

Where \( n \) = sample size
\( N \) = Total Population

\( (e)^2 \) = Level of significant margin of error

\[ n = \frac{210}{1 + 210 (0.05)^2} \]

\[ n = \frac{210}{1 + 210 (0.0025)} \]

\[ n = \frac{210}{1 + 0.525} \]

\[ n = \frac{210}{1.525} \]

\[ n = 138 \]

Therefore the sample size used in this study was 138 Respondents.
Table 3.1: Respondents of the study

<table>
<thead>
<tr>
<th>Categories</th>
<th>Total target population</th>
<th>Sample size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Institution procurement officers and administrators</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Bid evaluation committee members from Public institutions</td>
<td>70</td>
<td>35</td>
</tr>
<tr>
<td>Contracting Private companies’ staff.</td>
<td>40</td>
<td>23</td>
</tr>
<tr>
<td>Other Public Institutions departmental heads</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Opinion leaders</td>
<td>40</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>210</strong></td>
<td><strong>138</strong></td>
</tr>
</tbody>
</table>

*Source: primary data, 2014*

### 3.5 Sampling Procedure

The researcher used purposive and simple random sampling.

**Purposive sampling:** This method was used to select the opinion leaders, the contacting companies’ staff and the procuring entities departmental heads capable of providing the information of interest to the researcher.

The Purposive sampling method was used because it is direct, saves times and the researcher gets respondents of choice based on the issues and the relevance of the respondents to the target outcome of the research. The method successfully generated data from the target group.

**Simple random sampling:** The simple random sampling was used to select the public procurement officers and public procurement contract evaluation committee members in the procuring entities because they are many as compared to the number required for being qualified into the required respondents for this study.

The above sampling method used in this research was preferred for this research because it gives all persons in the target population equal chances of being applied in the research study thus its Bias free.
3.6 Research Instruments

The research instruments used in this study were the face sheet and questionnaire were used as a main instrument in collection of primary data along the research and it was used to obtain views and opinions of individual selected respondents in order to get the required information.

i) The face sheet was used to determine profile variables in terms of gender, age, education level and work experience.

ii) A researcher devised questionnaire measured the level of relationship between the variables of the study.

The five Likert scale grading 1=No Response 2=Strongly disagree, 3= Disagree, 4= Agree and 5=Strongly Agree was adopted in this study due to its suitability in measuring perceptions, attitudes, values and behaviors that relate to public procurement processes and procurement performance.

The response for the questionnaire on public procurement process were ranked using a five likert scoring scale (5,4,3,2,1), response mode applied to generate data on both the IV and the DV on all respondents in and outside the sampling frame in representation of the key responses (strongly agree, agree, undecided or neutral, disagree and disagree), description and interpretation level of Procurement processes and procurement (Very satisfactory, Satisfactory, unsatisfactory, Very unsatisfactory and neutral) and the response modes, scoring and interpretation of scores are as indicated below.

Table 3.2: Interpretation of mean values on the Independent Variable.

<table>
<thead>
<tr>
<th>Scale</th>
<th>Mean range</th>
<th>Response mode</th>
<th>Description</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4.01 – 4.75</td>
<td>Strongly Agree</td>
<td>You agree with no doubt at all</td>
<td>Very Satisfactory</td>
</tr>
<tr>
<td>4</td>
<td>3.26 - 4.00</td>
<td>Agree</td>
<td>You agree with some doubt</td>
<td>Satisfactory</td>
</tr>
<tr>
<td>3</td>
<td>2.51 - 3.25</td>
<td>Disagree</td>
<td>You disagree with no doubt</td>
<td>Unsatisfactory</td>
</tr>
<tr>
<td>2</td>
<td>1.76 - 2.50</td>
<td>Strongly Disagree</td>
<td>You disagree with no doubt at all</td>
<td>Very unsatisfactory</td>
</tr>
<tr>
<td>1</td>
<td>1.00 – 1.75</td>
<td>No Response</td>
<td>You do not have any Idea about the issue on table</td>
<td>Neutral</td>
</tr>
</tbody>
</table>

Source: Primary Data, 2014
The response for the questionnaire on the level of Procurement Performance (DV) were ranked using a five likert scoring scale (5,4,3,2,1), response mode applied to generate data on the dependent variable from all respondents in and outside the firms in representation of the key responses (strongly agree, agree, undecided or neutral, disagree and disagree), description and interpretation will be Very high, high, low and very low and the response modes, scoring and interpretation of scores are as indicated below.

Table 3.2: Interpretation of mean values on the Dependent Variable

<table>
<thead>
<tr>
<th>Scale</th>
<th>Mean range</th>
<th>Response mode</th>
<th>Description</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4.01 – 4.75</td>
<td>Strongly Agree</td>
<td>You agree with no doubt at all</td>
<td>Very high</td>
</tr>
<tr>
<td>4</td>
<td>3.26 - 4.00</td>
<td>Agree</td>
<td>You agree with some doubt</td>
<td>High</td>
</tr>
<tr>
<td>3</td>
<td>2.51 - 3.25</td>
<td>Disagree</td>
<td>You disagree with no doubt</td>
<td>Low</td>
</tr>
<tr>
<td>2</td>
<td>1.76 - 2.50</td>
<td>Strongly Disagree</td>
<td>You disagree with no doubt at all</td>
<td>Very low</td>
</tr>
<tr>
<td>1</td>
<td>1.00 – 1.75</td>
<td>No Response</td>
<td>You do not have any Idea about the issue on table</td>
<td>Neutral</td>
</tr>
</tbody>
</table>

Source: Primary Data, 2014

c) Qualitative data was collected using interview guides. This enabled the researcher to dig deeper into the knowledge provided by the questionnaires.

It was applied in the research study to beef up the data collection process from the key informants. Unstructured and structured interviews were put to the key informants with an aim of investigating if the public procurement processes have any influence on the procurement performance. The Interview Schedule/guide was also administered on opinion leaders and administrators to enable collection of first hand information. This method is seen useful because the interviewer got information directly from the respondents and had chance to probe for more clarity to reduce on non response rate.
3.7 Measurement of variables

Public Procurement Processes

Public Procurement process was measured using a structured questionnaire based on a 5-point Likert scale (Martzler and Bailom, 2014) where 1 = Strongly Agree, 2 = Agree, 3 = Disagree, 4 = Strongly Disagree and 5 = Don’t Know.

Procurement Performance

Procurement Performance was also measured using a structured questionnaire based on a 5-point Likert scale (Martzler and Bailom, 2014) where 1 = Strongly Agree, 2 = Agree, 3 = Disagree, 4 = Strongly Disagree and 5 = Don’t Know.

3.8 Validity and Reliability of the Instruments

To ensure the validity and reliability of the instrument, the researcher employed the expert judgment method. After constructing the questionnaire, the researcher contacted experts in the study area to go through it to ensure that it measured what it is designed to be measure and necessary adjustments were made after consultation and this ensured that the instrument is clear, relevant, specific and logically arranged. First, a pre-test was conducted in order to test and improve on the reliability of the questionnaire.

Secondly, a content validity index (CVI) of 0.96 was obtained using the formula:

\[
CVI = \frac{\text{Number of relevant questions}}{\text{The total number of questions}}
\]

\[
CVI = \frac{24}{26} = 0.92
\]

The Validity of the research instrument in this study was 0.92

Calculations indicated above provides values which are greater than 0.70 thereby declaring the instrument valid.
Reliability of the instrument was tested using the Cranbach’s co-efficient alpha (a) and the results revealed that the instrument is highly reliable.

3.9 Data Gathering Procedures

The following data collection procedures were implemented:

**A. Before the administration of the questionnaires.**

1. An introduction letter was obtained from the College of Higher Degrees and Research for the researcher to solicit approval to conduct the study from respective authorities.
2. When approved, the researcher secured a list of the qualified respondents from the departments’ authorities in charge and selected them through systematic random sampling from this list to arrive at the minimum sample size.
3. The researcher reproduced more than enough questionnaires for distribution.
4. The researcher selected a research assistant to assist in the data collection; briefed and oriented him or her in order to be consistent in administering the questionnaires.

**B. During the administration of the questionnaires**

1. The respondents will be requested to answer completely and not to leave any part of the questionnaires unanswered.
2. The researcher and assistant will emphasize the retrieval of the questionnaires within 10 days from the date of distribution.
3. On retrieval, all returned questionnaires will be checked if all were answer properly

**C. After the administration of the questionnaires**

The data gathered will be collated, encoded into the computer and statistically treated using the Statistical Package for Social Sciences (SPSS) with a help of a statistician.

3.10 Data Analysis

After the researcher sorting out the valid questionnaires and coding accomplished, to derive useful meaning from the data, and examine the propositions of this study, data from the survey were analyzed using SPSS (Statistical Package for Social Sciences) version 16. Particular statistical treatment/technique and formulae were used with reference to each
research question or type of data set. The following descriptive and inferential statistical approaches were applied:

i. To identify the demographic characteristics of respondents, frequencies and percentage distributions were used.

ii. To establish the level of awareness and knowledge on the utilization of public procurement processes by public institutions in Rwanda.

iii. To examine the role played by the Rwandan public procurement laws in ensuring value for money and good quality execution of contracts with in public institutions.

iv. To examine the mode of Procurement performance measurement by the public institutions in Rwanda

v. To establish the correlation between the procurement processes and procurement performance of public institutions in Rwanda, the Pearson’s correlation co-efficients and regression analysis were calculated.

The correlation co-efficient to test the hypothesis on correlation (Ho) at 0.05 level of significance using a Pearson correlation co-efficient; the regression analysis R2 (co-efficient of determination) were computed to determine the influence of the independent variable on the dependent variable.

3.11 Limitations to the study

The researcher met a challenge of inconsistencies in filling the questionnaires by the respondents where some of them left gaps. This checked on the target number of the required and qualified respondents making it difficult for the research to be valid. The researcher however added in an attrition figure to cater for the respondents failed to return or fill the questionnaires properly.

Some of the respondents claimed not to be having time to respond to the questionnaires adequately on claims of time making it difficult to collect the required information from respondents in time given their official responsibilities at their jobs; so it may be quite hard to make appropriate schedules for proper information gathering. In addressing this problem, the researcher sought help of the research assistant.
This research should have covered the entire public sector institutions in Rwanda to come out with findings for generalization but, because of inadequate time frame and the limited resources, the research was limited to a few selected public institutions with in Kigali city council-Rwanda

3.12 Ethical Considerations

To ensure confidentiality of the information provided by the respondents and to ascertain the practice of ethics in this study, the following activities will be implemented by the researcher:

i. The respondents' names were not reflected in this study.

ii. Permission was sought from the concerned officials of the different departments.

iii. The researcher acknowledged the authors quoted in this study through citations and referencing.

iv. The findings were presented in a generalized manner.
CHAPTER FOUR
DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1 Introduction
This chapter presents the analysis of the data gathered and interpretation thereof. It gives the socio-demographic characteristics of respondents and description of the objectives of the study, variables used and testing of pertinent hypotheses as used in this study.

4.2 Description of the respondents’ background
In this section, distribution of respondents by gender, age, educational level and experience in years is reported. Table 4.1 summarizes the details of the findings as below.

Table 4.1: Demographic Characteristics of the Respondents

<table>
<thead>
<tr>
<th>Category</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>85</td>
<td>61.6</td>
</tr>
<tr>
<td>Female</td>
<td>53</td>
<td>38.4</td>
</tr>
<tr>
<td>Total</td>
<td>138</td>
<td>100</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20-29</td>
<td>24</td>
<td>17</td>
</tr>
<tr>
<td>30-39</td>
<td>69</td>
<td>50</td>
</tr>
<tr>
<td>40-49</td>
<td>25</td>
<td>18</td>
</tr>
<tr>
<td>50 &amp; above</td>
<td>20</td>
<td>15</td>
</tr>
<tr>
<td>Total</td>
<td>138</td>
<td>100</td>
</tr>
<tr>
<td>Marital Status</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>47</td>
<td>34.5</td>
</tr>
<tr>
<td>Married</td>
<td>91</td>
<td>65.5</td>
</tr>
<tr>
<td>Total</td>
<td>138</td>
<td>100</td>
</tr>
<tr>
<td>Education Level</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certificate</td>
<td>08</td>
<td>06</td>
</tr>
<tr>
<td>Diploma</td>
<td>26</td>
<td>19</td>
</tr>
<tr>
<td>Degree</td>
<td>82</td>
<td>59</td>
</tr>
<tr>
<td>Masters</td>
<td>22</td>
<td>16</td>
</tr>
<tr>
<td>Others</td>
<td>00</td>
<td>00</td>
</tr>
<tr>
<td>Total</td>
<td>138</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: primary data, 2014

43
The findings in the Table 4.1 above revealed that majority of the respondents 85 (61.6%) were male while the female were 53 (38.4%). This suggests that the male are dominant in the procurement sector compared to their female counterparts. This could be because most female these days prefer to join lucrative business ventures such as advertising sector, telecommunications, banking and media sector where there is ‘good’ pay compared to procurement and logistics.

In regard to age, the findings from table 4.1 revealed that majority of the respondents 69 (50%) were within the age category of 30-39 years, 25 (18%) in the category of 40-59 years, 24 (17%) the respondents in the age category of 20-29 years while those within the age category of 50 & above were the minority 20 (15%). This suggests that the public procurement sector is dominated by old people, probably because they are considered innovative and enthusiastic in their performance as compared to the young stars that are few in this sector because they are considered incapable of living to the expectations of the ethical values required in the procurement sector. A few young people involved could be involved to be learning from the old people and gain experience.

In regard to the marital status of respondents, table 4.1 revealed that majority 91 (65.5%) of the respondents were married and 47 (34.5%) were enjoying a single life. This showed the level of responsibility and integrity in the procurement and contracts departments of the public institutions. This accounts for the level of commitment to service delivery, transparency and quality services since married people are associated with high level of responsiveness as compare to the unmarried who have got nothing to protect other than thinking of themselves.

In regard to education level, tables 4.1 revealed that majority of the respondents 82 (59%) were Degree holders while those who were diploma holders were 26 (19%). Respondents with Masters Qualifications were represented by 22 (16%) and respondents with Certificate and other qualifications were represented by 8 (6%) and 00% respectively. This means that Degree holders are dominant in this sector compared to other education categories. The educational system often determines when a person would normally be available for
employment in the procurement sector implying that the data generated in this research is valid because the respondents understood the questions put to them by the researcher.

4.3 Level of awareness and knowledge on the utilization of public procurement processes

The first objective of this study was to determine establish the level of awareness and knowledge on the utilization of public procurement processes by public institutions in Rwanda. To generate data, various views were picked from the respondents. The table 4.2 below gives the summary of the findings.
Table 4.2: Mean, Standard deviation and rank on the Level of awareness and knowledge on the utilization of public procurement processes

<table>
<thead>
<tr>
<th>Hypothetical statements</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>t-statistics</th>
<th>Interpretation</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>The procurement processes provide a clear criterion for awarding bid tenders in public institutions of Rwanda.</td>
<td>4.57</td>
<td>0.713</td>
<td>6.409</td>
<td>Very satisfactory</td>
<td>1</td>
</tr>
<tr>
<td>The Public procurement processes are not manipulated by the public procurement officers for their own interests</td>
<td>4.51</td>
<td>0.938</td>
<td>4.808</td>
<td>Very satisfactory</td>
<td>2</td>
</tr>
<tr>
<td>The Procurement Officers in Public institutions are highly knowledgeable about procurement processes.</td>
<td>4.38</td>
<td>0.991</td>
<td>4.419</td>
<td>Very satisfactory</td>
<td>3</td>
</tr>
<tr>
<td>In the absence of procurement processes, the procurement performance is always poor.</td>
<td>4.04</td>
<td>0.894</td>
<td>4.519</td>
<td>Very satisfactory</td>
<td>4</td>
</tr>
<tr>
<td>The Public Procurement Processes are well utilized in the execution of Bid tendering.</td>
<td>3.91</td>
<td>0.919</td>
<td>4.200</td>
<td>Very satisfactory</td>
<td>5</td>
</tr>
<tr>
<td>Public institutions ensure that all stakeholders are aware of the processes in the procurement cycle.</td>
<td>3.86</td>
<td>0.908</td>
<td>4.251</td>
<td>Satisfactory</td>
<td>6</td>
</tr>
<tr>
<td>There is Proper information dissemination on the contracts and the procurement process of every contract being given.</td>
<td>3.85</td>
<td>0.862</td>
<td>4.695</td>
<td>Satisfactory</td>
<td>7</td>
</tr>
<tr>
<td>Public institutions build capacity of their pre-qualified contractors through trainings on procurement processes for quality assurance.</td>
<td>3.46</td>
<td>1.081</td>
<td>3.200</td>
<td>Satisfactory</td>
<td>8</td>
</tr>
<tr>
<td>Public procurement processes are time consuming and may cause delay the execution of bid tenders.</td>
<td>3.41</td>
<td>0.852</td>
<td>4.002</td>
<td>Satisfactory</td>
<td>9</td>
</tr>
</tbody>
</table>
The public institutions can still achieve good performance if they avoid some of the processes. 

<table>
<thead>
<tr>
<th></th>
<th>3.19</th>
<th>0.853</th>
<th>3.73</th>
<th>Satisfactory</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Average mean</strong></td>
<td>3.92</td>
<td></td>
<td></td>
<td>Satisfactory</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Primary Data, 2014

In regard to the table 4.2 above, the findings indicate that majority of the respondents strongly agreed (Mean = 4.57, Std. D = 0.713) that procurement processes provide a clear criterion for awarding bids in public institutions of Rwanda, a percentage regarded to be very high in its interpretation. This could be because the process becomes bias free and trusted.

The findings also reveal that the majority respondents strongly agree (Mean = 4.51, Std. D = 0.938) that the public procurement processes are not manipulated by the public procurement officers for their own interests. This could because Rwandan public institutions are managed on a zero tolerance to corruption as the key informants revealed that public officers ensure that they are not implicated in any corruption act to safeguard their jobs.

In regard to the Procurement officers in the Public institutions being highly knowledgeable about procurement processes, the findings in Table 4.2 reveal that the majority of the respondents also strongly agreed (Mean = 4.38, Std. D = 0.991) as most of them explained that it’s what they are presumed to have learnt and made them qualify for becoming Procurement officers thus their level of awareness has to be high.

Asked if in the absence of procurement processes, the procurement performance could be very poor, the findings indicate that majority of the respondents strongly agreed (Mean = 4.04, Std. D = 0.894). This could be due to the fact that the procurement processes are regarded to be complements to the procurement performance.

About the Public Procurement Processes being well utilized in the execution of Bid tendering, the findings reveal that the majority (Mean = 3.91 Std. D = 0.919) agreed though the mean values indicate that some were regarded to be having doubt in their views. This could be based on the fact that some of the respondents were not directly involved in the monitoring and supervision of the procurement unit and the various processes they apply.
The findings in the table 4.2 shows a slightly majority of the respondents agreed (Mean = 3.85, Std. D = 0.908) that Public institutions ensure that all stakeholders are aware of the processes in the procurement cycle. As though the findings reveal a bigger percentage agreeing, some of the respondents did deny having ever heard about procurement processes as others lamented that only those who deal with government could be having knowledge on procurement. The Director of Procurement University of Kigali college of Education a key informant said;

"We invite the public when carrying out tender awarding, bid evaluation and receiving the goods and services from our contractors. At this stage, we try to explain to the public and all our stakeholders the processes we pass though in procurement. We however do assume the companies and individual service providers are knowledgeable on procurement and thus become one of our parameters of assessing the best service provider"

This could mean there is no formal trainings and capacity building workshops organized for stakeholders about procurement processes.

About the Proper information dissemination on the contracts and the procurement process of every contract being given, the findings in Table 4.2 reveal that Majority of the respondents agree (Mean = 3.84, Std. D = 0.862) that the procurement departments invite bidders though newspapers, Television, Radios, posters among the other forms of disseminating the information. The Director of Procurement Rwanda Revenue Authority when asked revealed that;

"As a public institution, our role is to identify our needs and forward for advertising and procurement. We use a decentralized system where all procurement needs are Identified and put in the news for service providers to apply. Every step is displayed for the public consumption up to the time the procured goods, services are handed over to the final user"

Interacting with other respondents over the same issue, they revealed that only those who have access to newspapers get informed about the prevalence of the tenders as others revealed that as information remains well disseminated, time to review papers or listen to the radios
becomes a barrier to its access. This meant that, the public procurement officers are doing their part very well as though people have to remain complaining.

On whether Public institutions build capacity of their pre-qualified contractors through trainings on procurement processes for quality assurance, results reveal a lot of resistance for the respondents as though a slight majority agree (Mean = 3.4, Std. D = 1.081) indicating a negative response. As the director of Procurement in the University of Kigali college of Education had earlier noted that their assumption is that the applicants are well aware of the procurement processes and thus it even becomes part of the parameter of elimination. He had however noted that they induct them as they start the procession of the contracts awarded. This could mean capacity building is only done for the officers not the contractors.

From the findings in the Table 4.2 above, the respondents agreed by the majority (Mean = 3.4, Std. D = 0.852) that Public procurement processes are time consuming and may cause delay in the execution of bid tenders. Most of the respondents referred to it as a bureaucratic way of acquiring goods and services for the public institutions though most of them acknowledged its importance in ensuring that quality and value for money is attained in the procurement process.

Asked if the public institutions can still achieve good performance if they avoid some of the processes, the majority of the respondents disagreed (Mean 3.19, Std. D = 0.855) claiming that the process would be quick but would not be trusted, not ensuring value for money and the quality of the services, goods and the entire contract would be compromised. From the interviews conducted, the respondents revealed that the procurement processes help reduce the number of applicants claiming if the processes were not there, the selection of the best contractors would be difficult.

4.4 The role played by the Rwandan public procurement laws in ensuring value for

The second objective of this study was to examine the role played by the Rwandan public procurement laws in ensuring value for money and good quality execution of contracts with in public institutions. The findings from the study on the above are shown in the table below;
Table 4.3 Mean, standard deviation and rank on the role played by the Rwandan public procurement laws in procurement performance

<table>
<thead>
<tr>
<th>Hypothetical statements</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>t-statistics</th>
<th>Interpretation</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Procurement laws are well implemented to guarantee a corruption free procurement process.</td>
<td>4.60</td>
<td>0.841</td>
<td>5.469</td>
<td>Very satisfactory</td>
<td>1</td>
</tr>
<tr>
<td>The effective lawfulness of the procurement processes account for the performance level of the whole procurement Unit.</td>
<td>4.58</td>
<td>0.752</td>
<td>6.090</td>
<td>Very satisfactory</td>
<td>2</td>
</tr>
<tr>
<td>The public procurement officers respect the laws for effective performance of their services thus, follow the processes.</td>
<td>4.56</td>
<td>0.773</td>
<td>5.899</td>
<td>Very satisfactory</td>
<td>3</td>
</tr>
<tr>
<td>In Rwanda, the laws have very well supplemented the public Procurement process to guarantee transparency.</td>
<td>4.44</td>
<td>0.933</td>
<td>4.758</td>
<td>Very satisfactory</td>
<td>4</td>
</tr>
<tr>
<td>The regulations under the RPP laws are highly implemented in the procurement system.</td>
<td>3.99</td>
<td>0.992</td>
<td>4.022</td>
<td>Very satisfactory</td>
<td>5</td>
</tr>
<tr>
<td>People are very familiar with Public Procurement Laws.</td>
<td>3.89</td>
<td>0.885</td>
<td>4.395</td>
<td>Satisfactory</td>
<td>6</td>
</tr>
<tr>
<td>There are regular Audits into public procurements to check for inconsistencies in the procurement process within public institutions.</td>
<td>3.79</td>
<td>1.121</td>
<td>3.380</td>
<td>Satisfactory</td>
<td>7</td>
</tr>
<tr>
<td>The bidding procedure is made difficult by the law, with a standard to eliminate the small business contractors.</td>
<td>3.42</td>
<td>1.002</td>
<td>3.413</td>
<td>Satisfactory</td>
<td>8</td>
</tr>
<tr>
<td><strong>Average mean</strong></td>
<td><strong>4.16</strong></td>
<td></td>
<td></td>
<td><strong>Very satisfactory</strong></td>
<td></td>
</tr>
</tbody>
</table>

*Source: Primary Data, 2014*
According to the findings in the table 4.3 above, Majority of the respondents strongly Agreed (Mean = 4.6, Std. D = 0.841) that Public Procurement laws are well implemented to guarantee a corruption free procurement process. The Procurement officer Rwanda National examination council revealed to the researcher that the office of the ombudsman in Rwanda effectively monitors the public workers in the procurement departments and any report received related to corruption amounts to termination of the job and imprisonment of the officer until proven innocent. This showed an implication that public procurement officers stick to the laws in their execution of their duties as one of the respondents noted that its not easy to find a corrupt Office in Rwandan government procurement system unless they are from other countries as there is Zero tolerance to corruption.

The findings in table 4.3 further indicate that the majority respondents (Mean = 4.58, Std. D = 0.752) strongly agreed that the effective lawfulness of the procurement processes account for the performance level of the whole procurement unit. This indicated that the guidelines on procurement are effectively used as procurement entities try to work within the lawful frame work of executing contracts and delivering of the services.

In a similar way, the findings revealed that the public procurement officers respect the laws for effective performance of their services thus, follow the processes as the majority of the respondents (Mean = 4.56, Std. D = 0.773) strongly agreed when contacted. When asked one of the procurement officers had this to say;

“I still have my children very young and they still need me alongside them. When I came to seek for the job, I know it was governed by the law but accepted to work meaning I also accepted to become law abiding”

Another respondent said,

“Our work is too tempting. You deal with large contracts that have large sums of money, but because of the laws you are hand tied if you are to succeed or maintain yourself on job”

This shows how the law is greatly respected in the public institutions of Rwanda.
From the table 4.3, results further revealed that majority (Mean = 4.44, Std. D. = 0.933) strongly agreed that the Rwandan laws have very well supplemented the public Procurement process to guarantee transparency since they are highly respected and the procurement departments and units have made it a routine. Even the contractors have turned to be very loyal to the procurement processes and have made these processes part of their business life. Given the fact that laws are not negotiated, their attachment means the implementers had no choice other than allowing the laws to perform a supplementary role to the processes.

Results from table 4.3 indicate the majority of the respondents (Mean = 3.99, Std. D = 0.992) in agreement of the view that the regulations under the RPP laws are highly implemented in the procurement system of the public institutions of Rwanda. Most respondents reached for a comment in an interview revealed that Rwanda as a country and its operation is inseparable from the law. This implied that as revealed in the subsequent findings, the law has a big part to play in ensuring best performance of the procurement unit.

In trying to access if the People are very familiar with Public Procurement Laws, the findings in Table 4.3 above shows that Majority of the respondents (Mean = 3.89, Std. D = 0.885) agreed though the interpretation of the above mean value reveal that some doubt in the respondents was recorded. This could mean that only those involved in procurement and contracts with government are more familiar with the procurement laws than any other person.

In regard to the findings in the table 4.3 above, the majority respondents (Mean = 3.79, Std. D = 1.121) agree that there are regular Audits into public procurements to check for inconsistencies in the procurement process within public institutions in Rwanda. While interacting with some of the respondents, they noted that each procurement unit within the public institutions is attached to an auditor who is supposed to produce an audit report before payments of a particular contract is infected. This could mean that for performance to be measured well, the irregularities have to be checked by the Auditors mandated to report the findings as they look at a wide range of things to regard the contract as valid.
About the bidding procedure being made difficult by the law with a standard to eliminate the small business contractors, the findings in the table 4.3 the majority of the respondents (Mean = 3.42, Std. D = 1.002) revealed their disagreements claiming the procedure is only meant to streamline the procurement performance not to eliminate any body. One of the contract committee members when interviewed is quoted as saying;

“We did not make any process, these processes are as old as the procurement system here in any public institution. They don’t target any one and neither do we use them to eliminate people. When we advertise and one falls short of the requirements, definitely you disqualify yourself from competing and leave the rest to move on. That is what we want because we want the best out of the many who apply”

The interpretation of this could be though that the issue brought under contention might have not garnered support because the biggest number of the respondents was public procurement officers such that they could not avoid defending the evil within their house.

4.5 Procurement performance measurement by the public institutions

The third objective considered in this study was to examine the mode of Procurement performance measurement indicators by the public institutions in Rwanda. Data from the respondents is presented and analyzed in the table below.
<table>
<thead>
<tr>
<th>Hypothetical statements</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>t-statistics</th>
<th>Interpretation</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public institutions in Rwanda have quality staff well familiar with performance measurement of the procurement performance.</td>
<td>4.50</td>
<td>0.785</td>
<td>5.732</td>
<td>Very High</td>
<td>1</td>
</tr>
<tr>
<td>There are timely deliveries and completion of contracts due to an effective procurement system in Public institutions</td>
<td>4.35</td>
<td>0.799</td>
<td>5.444</td>
<td>Very High</td>
<td>2</td>
</tr>
<tr>
<td>There are regular procurement review meetings to check errors in the procurement performance</td>
<td>4.32</td>
<td>0.952</td>
<td>4.537</td>
<td>Very High</td>
<td>3</td>
</tr>
<tr>
<td>Bid contracts in public institutions are highly competitive.</td>
<td>4.22</td>
<td>0.837</td>
<td>5.041</td>
<td>Very High</td>
<td>4</td>
</tr>
<tr>
<td>There is transparency and accountability in the Public Procurement Processes that guarantee flexibility in Tendering and contact awards.</td>
<td>4.04</td>
<td>0.958</td>
<td>4.217</td>
<td>Very High</td>
<td>5</td>
</tr>
<tr>
<td>Quality assurance and value for money when public institutions buy or lease works, goods, services or contracts are the key indicators of procurement performance</td>
<td>4.00</td>
<td>0.883</td>
<td>4.530</td>
<td>Very High</td>
<td>6</td>
</tr>
<tr>
<td>There is a balance between the procurement plans mad and the procurement expenditures in public institutions</td>
<td>3.86</td>
<td>0.990</td>
<td>3.898</td>
<td>High</td>
<td>7</td>
</tr>
<tr>
<td>There is an effective procurement reporting system in public institutions of Rwanda.</td>
<td>3.60</td>
<td>1.130</td>
<td>3.185</td>
<td>High</td>
<td>8</td>
</tr>
</tbody>
</table>

**Average Mean** 4.11  Very High

*Source: Primary Data, 2014.*
In regard to the table 4.4, results reveal the majority of the respondents (Mean = 4.50, Std.D = 0.785) in support of the view that Public institutions in Rwanda have quality staff well familiar with performance measurement of the procurement performance as they strongly agreed to this view. Of course for the staff to have been employed under this department, it is presumed that the employer selected from a pool the best quality of the staff thus it becomes not a surprise if the results do strongly agree to this issue in contention.

In a similar way, the table shows the findings in the table 4.4 with the majority of the respondents (Mean 4.35, Std. D = 0.799) strongly agreeing to the view that there are timely deliveries and completion of contracts due to an effective procurement system in Public institutions. This is more likely to be so because in the communities and the countries where laws are well implement as the major principals to govern society, every system becomes effective such that even the delivery of services, execution of contracts and supply of goods has to be governed by the law.

The findings in Table 4.4 further indicate that the majority of the respondents (Mean = 4.32, Std. D = 0.952) agreed to the view that there are regular procurement review meetings to check errors in the procurement performance assessment. Like any other public department, review meetings are necessary because they guarantee an effective implementation process. However some of the respondents when asked revealed that the procurement review meetings conducted have always targeted a few stakeholders especially those directly involved in the procurement process and the results of the meetings are never made public for the people to know the level of performance of the procurement unit thus they claimed that, it’s hard to tell if the review meeting have any influence on performance.

On whether the bid contracts in public institutions are highly competitive, the findings in table 4.4 above present the majority of the respondents (Mean = 4.22, Std. D =0.837) agree as most of the contractors lamented having no restless days making sure they out compete their competitors. In an interview with one of the contractors, he had this to say;
"The bidding processes in public institutions are more of hell than anything. The competition is fierce as one may never be sure of winning the contract before the pronouncement of the winner. We always struggle hard to get these contracts but you may apply as many times as one could imagine but having never gone through. We are used to this"

Asked if this has anything it adds into the procurement system, he further added that;

"Of course this competition gives us confidence on the outcome though we used to become unhappy with results whenever the same companies would take the subsequent contracts"

Basing on these views by the respondents, the bidding process seem to be having a lot of trust thus performance gets effectively measured on it as a parameter.

The findings in the table 4.4 above further indicates that the majority of the respondents (Mean = 4.04, Std D = 0.958) agreed to the view that there is transparency and accountability in the Public Procurement Processes that guarantee flexibility in Tendering and contact awards. As earlier noted with great concern that there is no room for unlawful execution of contracts and bidding in the public institutions, the whole procurement process ought to be transparent and the authorized officer becomes more accountable.

On Quality assurance and value for money when public institutions buy or lease works, goods, services or contracts as the key indicators of procurement performance, the respondents in the majority (Mean = 4.00, Std. D = 0.883) agreed to this view. This however by the interpretation mean values showed that there was some in the respondent’s views. In an interview with the director of procurement in Kigali health institute, She revealed that the business of procurement officers is quality assurance and value for money. She was quoted as saying;

"In the procurement system, quality assurance, value for money and timely delivery or execution is the business we transact with our contractors. We may never mind of the lowest bidder but get concerned about the individual performance of the bidder in terms of quality of the products and services being offered."
This could mean that all efforts of the procurement officers and all those that support them in the execution of their duties are well guided by the desire to have the best quality of services and ensuring that public funds are put to good use by the implementing officers, short of this, the law extends its long arm to the officer.

According to the results in the table 4.4, the majority of the respondents (Mean = 3.86, Std. D = 0.990) revealed that there is a balance between the procurement plans made and the procurement expenditures in public institutions. With a ridged procurement system in Rwanda dominated by the law that requires that if there is any expenditure to be made, it has to be in the budget, the above response rate by the respondents seem to be justifiable. This could be because of the procurement officers’ desire to accomplish their work in time to be appraised since the work done in time accounts for payment in time.

The results in the table 4.4 further indicate that the majority of the respondents (Mean = 3.60, Std. D = 1.130) agreed to the view that there is an effective procurement reporting system in public institutions of Rwanda. Like any department in Public institutions, reports provide the basis for assessment thus the respondents submission becomes more valid since the various officers in the procurement department revealed that they prepare reports on every procurement made, later make the monthly and annual reports to provide a basis for continuance planning.

4.6 There is a significant relationship between public procurement processes and procurement performance results.

The last objective considered for this study was to establish if there is any significant relationship between the procurement processes and the procurement performance of public institutions in Rwanda. The findings are presented in the table provided below:
Table 4.5 shows Pearson Correlation Coefficient (r) Values between Public Procurement processes and procurement performance in public institutions in Rwanda

<table>
<thead>
<tr>
<th></th>
<th>Public Procurement processes</th>
<th>Procurement performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>IV</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>13</td>
</tr>
<tr>
<td>DV</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pearson Correlation</td>
<td>.888**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.008</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>7</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Analyzed Data, 2014

The results from the table 4.5 indicate that there is a significant relationship between the public procurement processes and procurement performance. The correlation between the two variables is \( r = 0.888, P = 0.008 \). The interpretation of the above is that there is a very highly significant correlation and it is significant at 99% level, thus the decision on \( H_0 \) is accepted.

Table 4.6 Regression Analysis between the Dependent and Independent Variables

Table 4.6.1 Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.888a</td>
<td>.789</td>
<td>.746</td>
<td>.15950</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Procurement performance

a. Predictors: (Constant), Procurement performance

b. Dependent Variable: Public Procurement processes
Table 4.6.2: Co-efficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td>t</td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>.493</td>
<td>.851</td>
<td></td>
<td>.579</td>
</tr>
<tr>
<td>Procurement performance</td>
<td>.890</td>
<td>.206</td>
<td>.888</td>
<td>4.320</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Public Procurement processes

In Regression analysis by the Tables 4.6.2, Results show a very significant relationship between procurement performance ($F=18.663$, $\text{Sig}=0.008^a$). The results indicate all the items under analysis in public procurement processes being accountable for the procurement performance (adjusted $R^2 = 0.746$).
CHAPTER FIVE

FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of major findings, conclusions, recommendations and areas of further research.

5.2 Findings

5.2.1 Demographic characteristics of respondents

In regard to gender, the study revealed that majority 85(61.6%) of the respondents were male while the female were 53(38.4%). In regard to age groups, majority of the respondents fell in the category of 30-39 years numbering 69(50%) compared to other categories of 40-49 years with 25(18%), age bracket 20-29 years and 50 years and above age brackets, which give percentages of 17% and 15% respectively. In regard to marital status, the study revealed that majority 91(65.5%) were married against the minority 47(34.5%) of the respondents. Finally in regard to the education level, the study showed that majority of the respondents possessed a Bachelor's Degree contributing 59%, followed by diploma holders (19%) and those having masters were 16%, only 6% had certificates.

5.2.2 Level of awareness and knowledge on the utilization of procurement processes

The study showed an average mean of 3.092 for the level of awareness and knowledge on the utilization of the procurement processes by the various stakeholders in the public procurement in Rwanda. Items under the variable measured which scored the highest mean included: the view that procurement processes provide a clear criterion for awarding contracts in the public institutions of Rwanda (Mean = 4.57), public procurement processes are not manipulated by the public procurement officers for their own interests (Mean = 4.51), procurement officers in public institutions are knowledgeable on procurement processes (Mean = 4.38), in the absence of procurement processes the procurement performance is always poor (Mean = 4.04), Public procurement processes are well utilized in the execution of bid tendering (Mean = 3.90), public institutions ensure that all stakeholders are all aware of the processes in the
procurement cycle (Mean = 3.85), there is proper information dissemination on the contracts and the procurement processes of every contract being given (Mean = 3.84), public institutions build capacity of their pre-qualified contractors through trainings on procurement processes for quality assurance (Mean = 3.46), public procurement processes are time consuming and may cause delay in the process of bid tendering (Mean = 3.41), The public institutions can still achieve good performance if they avoid some of the processes (Mean = 3.19). The study found out that the level of awareness and knowledge on the utilization of public procurement processes is high thus accounted for the procurement performance in Rwanda.

The findings of the study suggested that not only public procurement processes should be looked at in isolation but also the financial and non financial measures are equally important in indicating the performance of the procurement function. This position was held by many authors as was earlier seen in the literature (Lardenoije, Van Raaij, & Van Weele, 2005) and also was the opinion of the respondents in this study. Interestingly, however, not every set indicator is important in the procurement process.

Accordingly the respondents' suggestions, quality of goods and services is delivered through the procurement process is the most important set target of the procurement function and safety of employees the least important of the non financial measures. This suggests that quality goods and services create a safe working environment and understanding of safety to employees. Through this study, quality has been identified as a generic measure for purchasing performance.

5.2.3 Role of public procurement laws in procurement performance.

The research showed a satisfactory level of a clear role procurement laws in procurement performance in Rwanda with an average mean of 4.16. This meant that majority of the respondents agreed on the variables measuring the role of public procurement laws on the entire performance of the procurement units. This could be evidenced by the fact that Public Procurement laws are well implemented to guarantee a corruption free procurement process (Mean=4.60), the effective lawfulness of the procurement processes account for the
performance level of the whole procurement Unit (Mean=4.58), the public procurement officers respect the laws for effective performance of their services thus, follow the processes(4.56), in Rwanda, the laws have very well supplemented the public Procurement process to guarantee transparency (Mean=4.44), the regulations under the RPP laws are highly implemented in the procurement system(Mean=3.99), People are very familiar with Public Procurement Laws (Mean =3.89), regular Audits into public procurements to check for inconsistencies in the procurement process within public institutions (Mean = 3.7), the bidding procedure is made difficult by the law, with a standard to eliminate the small business contractors (Mean =3.42)

5.2.4 Procurement performance measurement by the Procuring entities

In regard to procurement performance, the research revealed a satisfactory level with an average mean of 4.11

This meant that majority of the respondents strongly agreed on the variables used for measuring procurement performance in this study. This can be reflected by the high mean scores on the various views put to respondents like quality staff that is well familiar with performance measurement of the procurement performance (mean=4.5), the timely deliveries and completion of contracts due to an effective procurement system in Public institutions (Mean=4.35), the regular procurement review meetings to check errors in the procurement performance (Mean=4.32), Bid contracts in public institutions being highly competitive (Mean of 4.22), transparency and accountability in the Public Procurement Processes that guarantee flexibility in Tendering and contact awards (Mean=4.04), Quality assurance and value for money when public institutions buy or lease works, goods, services or contracts (Mean= 4.00), having a balance between the procurement plans made and the procurement expenditures(Mean=3.86), and having an effective procurement reporting system Rwanda with the mean of 3.60.

The findings agree with the literature that regardless of the effort by the PPDA and the acknowledgement that the procurement department is capable of adding value to the organization still a large number of the internal customers act on their own and more frequently bypass the procuring department (Schiele & McCue, 2006). The study therefore
attributed the main reason for this is ignorance of how the public procurement operates (Telgen, Zomer, & de Boer, 1997). The purpose of the procurement cycle was to encourage competition among suppliers, professionalism, good business ethics and non discrimination among others (PPDA, 2007).

The above results reveal a big influence of the Rwanda Procurement laws on performance of the procurement units as all the examined views became valid by the respondents views scoring highly in the average mean.

5.2.5 Relationship between Public Procurement processes and procurement performance

The results suggested that the level of influence by the public procurement processes and the laws on procurement performance is high presenting a positive and strong relationship (r = 0.888, Sig = 0.008).

Regression analysis showed that a strong influence of the independent variable and the dependent variable (F=18.663, Sig=0.008) the results indicate all the items under analysis in public procurement processes being accountable for the procurement performance (adjusted R² = 0.746).

Again, the respondents’ suggestions on financial measures pointed out the most important measure of procurement performance as the purchasing audit and budgetary controls and least was use of profit centres. Purchasing audit is a management tool used in assessing how goals and objectives are being met while utilizing organisational limited resources (Van Weele, 2006). The resources are inputs (personnel, budgets, time, and equipment) that need to be used effectively and efficiently in fulfilling different goals and objectives. The importance of the findings shows budgetary controls. Effective resource utilisation is facilitated by proper planning and budgeting by proper controls, though, this cannot be proved by the research results. The public sector the major “push” is on reducing costs, this focus has consequences on performance. Experience shows that when organizations focus on reducing costs, the quality of goods and services procured suffers, and when organizations.
5.3 Conclusions

There few women employed in the procurement unit thus an imbalance is reflected in the distribution of jobs based on gender. A young generation is fast dominating the employment sector as seen in the procurement department meaning their will be sustained performance in the procurement departments of the public institutions in Rwanda.

Procurement work is dominated by the learned people since even the private contractors had employees of high class at degree, diploma and masters levels thus with a belief that they understand the bidding procedures, the procurement processes cannot be hijacked.

On the level of awareness and knowledge on the utilization of procurement processes, only the procurement officers are well was with the right procedure as some of the members revealed that others are eliminated because they lack credentials of managing contracts.

Also people are not familiar with the procurement laws and what it would take if they unlawfully implemented or mismanaged the contracts.

5.4 Recommendations

For Policy makers

The government should continuously promote the lawfulness in the procurement sector to even wipe out the few case disparities that drag people to the prosecutor general to face the public accounts committee and make the whole system very healthy because this study has revealed that some employees face the law and simple punish are given because my belief is that a habit grows from a small error to a big mistake.

Government should also provide for building capacity of the pre-qualified contractors and the other government stakeholders so that they effectively become aware of the procurement cycle processes to enable them work better with the procurement system.
**Procurement officers**

Employees should be encouraged to stick to their code of ethics to maintain the good reputation revealed by the study so that they can have a sustainably clear record of work.

5.6 Areas for further Research

The researchers suggest that further studies should be carried out on Procurement Processes and Performance but with emphasis on:

- Procurement Internal control systems and quality assurance in Public Institutions of Rwanda
- The Procurement Laws and Value for money in the procurement cycle.
- Implementation factors in purchasing measures.
- Challenges encountered when measuring purchasing performance in achieving targets.
- Benefits of measuring purchasing performance.
- Deeper analysis of purchasing efficiency and effectiveness.
REFERENCE

Arrow smith and Try bus (2003) Developments and reforms in public procurement System in Kosovo: The first decade


http://www.cips.org/documents/Performance_Measurement.pdf


Lulea University of Technology Available at http://pure.se.


Ministry of Employment and the Economy (2011) Overall reform of the public procurement legislation


Sollish RB & Semanik Jones 2007 Procurement and supply Manager’s Desk: John Wiley & Sons University, Australia.


APPENDICES

APPENDIX I A: TRANSMITTAL LETTER

OFFICE OF THE HEAD OF DEPARTMENT, ECONOMICS, BUSINESS AND
MANAGEMENT SCIENCES
COLLEGE OF HIGHER DEGREES AND RESEARCH


INTRODUCTION LETTER FOR NTABYERA JUENARY LAURENT REG.NO.
MBA/39563/123/DF TO CONDUCT RESEARCH IN YOUR ORGANISATION

The above mentioned candidate is a bonafide student of Kampala International
University pursuing a Masters’ of Business Administration (Procurement).

He is currently conducting a field research for his dissertation entitled “public
Procurement processes and procurement performance in public institutions
of Rwanda.”.

Your organization has been identified as valuable source of information pertaining to his
research project. The purpose of this letter then is to request you to avail him with
pertinent information he may need.

Any information shared with him will be used for academic purposes only and shall be
kept with utmost confidentiality.

Any assistance rendered to him will be highly appreciated.

Yours truly,

Dr. Edris S. Kasemene
Deputy Principal, CHDR.
Dear Sir/ Madam,

As part of my degree course requirements for the award of Master's Degree in Business Administration at Kampala International University, I have to write a research paper. In this respect, I am carrying out a study on “Public Procurement processes and Procurement Performance in Selected Public institutions of Rwanda”. As a staff or a member of the above entity, you have been selected to take part in this study. You are asked to answer the questions about that study in your area. The information you will provide through this questionnaire will be used only for the academic purpose and will be treated with confidentiality.

Thank you for your co-operation in advance.

Yours faithfully,

NTABYERA JUVENARY LAURENT
APPENDIX II: CLEARANCE FROM ETHICS COMMITTEE

Date 05/11/2014

Candidate's Data
Name NTABYERA JUVENTARY LAURENT
Reg.# MBA/39563/123/DF
Course MBA-SP
Title of Study PROCUREMENT PROCESSES AND PROCUREMENT PERFORMANCE IN SELECTED PROCURING ENTITIES OF RWANDA

Ethical Review Checklist

The study reviewed considered the following:

_ Physical Safety of Human Subjects
_ Psychological Safety
_ Emotional Security
_ Privacy
_ Written Request for Author of Standardized Instrument
_ Coding of Questionnaires/Anonymity/Confidentiality
_ Permission to Conduct the Study
_ Informed Consent
_ Citations/Authors Recognized

Results of Ethical Review

_ Approved
_ Conditional (to provide the Ethics Committee with corrections)
_ Disapproved/ Resubmit Proposal

Ethics Committee (Name and Signature)
Chairperson __________________________
Members __________________________
APPENDIX III: INFORMED CONSENT

I am giving my consent to be part of the research study of Mr. Ntabyera Juvenary Laurent that will focus on emotional intelligence and leadership styles.

I shall be assured of privacy, anonymity and confidentiality and that I will be given the option to refuse participation and a right to withdraw my participation anytime.

I have been informed that the research is voluntary and that the results will be given to me if I ask for it.

Initials: ____________________________

Date ________________________________
APPENDIX IV: FACE SHEET: PROFILE OF THE RESPONDENTS

Put a tick (✓) in the provided space that corresponds to the correct answer.

1. Age:
   ___ (1) 20 - 29yrs
   ___ (2) 31- 39yrs
   ___ (3) 40 - 49yrs
   ___ (4) 50 & above yrs

2. Gender:
   ______(1) Male
   ______(2) Female

3. Marital status:
   ______Single
   ______Married

4. Education level
   ___ (1) Certificate
   ___ (2) Diploma
   ___ (3) Bachelors
   ___ (4) Masters
   ___ (5) Others

5. Name of the business:
   ___ (1) Individual Contractor
   ___ (2) Corporate business entity
   ___ (3) Procurement Officer
   ___ (4) Others
APPENDIX VA: QUESTIONNAIRE TO EXAMINE THE INDEPENDENT VARIABLE

**Direction 1:** Please put a tick in the box which corresponds to your best choice. **Public Procurement Processes in public institutions in Kigali City Council.** Kindly use the scoring system below and put a tick in the box of your suggested answer.

<table>
<thead>
<tr>
<th>Mean range</th>
<th>Respondent mode</th>
<th>Interpretation</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.01-5.44</td>
<td>Strongly agree</td>
<td>Very high</td>
<td>5</td>
</tr>
<tr>
<td>3.26-4.00</td>
<td>Agree</td>
<td>High</td>
<td>4</td>
</tr>
<tr>
<td>2.51-3.25</td>
<td>Disagree</td>
<td>Low</td>
<td>3</td>
</tr>
<tr>
<td>1.76-2.50</td>
<td>Strongly disagree</td>
<td>Very low</td>
<td>2</td>
</tr>
<tr>
<td>1.00-1.75</td>
<td>No response</td>
<td>Neutral</td>
<td>1</td>
</tr>
</tbody>
</table>

**A. Questions to examine the level of awareness and knowledge on the utilisation of procurement processes**

<table>
<thead>
<tr>
<th>Variable</th>
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</thead>
<tbody>
<tr>
<td>1. The Procurement Officers in Public institutions are highly knowledgeable about procurement processes.</td>
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<tr>
<td>2. Public institutions ensure that all stakeholders are aware of the processes in the procurement cycle.</td>
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<td>3. The Public Procurement Processes are well utilized in the execution of Bid tendering.</td>
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<td>4. Public institutions build capacity of their pre-qualified contractors through trainings on procurement processes for quality assurance.</td>
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<td>5. There is Proper information dissemination on the contracts and the procurement process of every contract being given.</td>
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<td>6. The Public Procurement processes are not manipulated by the public procurement officers for their own interests.</td>
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<td>7. Public procurement processes are time consuming and may cause delay the execution of bid tenders.</td>
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<td>8. The procurement processes provide a clear criterion for</td>
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76
8. The effectiveness of the procurement processes account for the performance level of the whole procurement unit.

9. In the absence of procurement processes, the procurement performance is always poor.

10. The public institutions can still achieve good performance if they avoid some of the processes.

B. Questions to examine the role of Public procurement laws in procurement performance

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<tbody>
<tr>
<td>1. People are very familiar with Public Procurement Laws</td>
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<td>2. Public Procurement laws are well implemented to guarantee a corruption free procurement process.</td>
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<td>3. The public procurement officers respect the laws for effective performance of their services thus, follow the processes.</td>
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<td>4. In Rwanda, the laws have very well supplemented the public Procurement process to guarantee transparency.</td>
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<td>5. There are regular Audits into public procurements to check for inconsistencies in the procurement process within public institutions.</td>
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<td>6. The regulations under the RPP laws are highly implemented in the procurement system</td>
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<td>7. The bidding procedure is made difficult by the law, with a standard to eliminate the small business contractors.</td>
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<td>8. The effectiveness of the procurement processes account for the performance level of the whole procurement unit.</td>
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APPENDIX VB: QUESTIONNAIRE TO EXAMINE THE DEPENDENT VARIABLE

Direction 1: Please put a tick in the box which corresponds to your best choice. Kindly use the scoring system above

A. Questions to examine the Public procurement Performance measurement indicators in selected Public institutions

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<tr>
<th>Variables</th>
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<tbody>
<tr>
<td>1. There are regular procurement review meetings to check errors in the procurement performance.</td>
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<td>2. Public institutions in Rwanda have quality staff well familiar with performance measurement of the procurement performance.</td>
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<td>3. Bid contracts in public institutions are highly competitive.</td>
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<td>4. Quality assurance and value for money when public institutions buy or lease works, goods, services or contracts are the key indicators of procurement performance.</td>
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<td>5. There is an effective procurement reporting system in public institutions of Rwanda.</td>
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<td>6. There is transparency and accountability in the Public Procurement Processes guarantee flexibility in Tendering and contact awards.</td>
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<td>7. There are timely deliveries and completion of contracts due to an effective procurement system in Public institutions.</td>
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<td>8. There is a balance between the procurement plans mad and the procurement expenditures in public institutions.</td>
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</table>

Thanks for your participation in my research.
1. Do you think the public is aware and knowledgeable about the public procurement processes in public institutions?
2. Do you inform the public about the procurement activities done in the public institutions?
3. Are these procurement processes respected as stipulated by the law when they perform their procurement duties?
4. Is it the public procurement laws that force the procurement officers to handle the procurement processes and activities lawfully?
5. It is always said that the procurement processes are a bureaucratic effort to eliminate certain people from competing with the rich, is this true?
6. The bidding process is said to be long, doesn’t it attract a lot of complaints from the contractors when their payments are delayed.
7. Do you consider the bidding process to be having anything it adds into the procurement system?
8. In your own view, does the procurement laws of this county (Rwandan) help in improving the performance of the procurement process?
9. Do you conduct regular procurement review meetings in your institution?
10. Does the procurement process evaluation impact on the performance of the results in terms of quality and value for money?
APPENDIX VII: CURRICULUM VITAE

PERSONAL INFORMATION

Surname: NTABYERA
Other names: JUVENARY LAURENT
Father’s name: NTABYERA Laurent
Mother’s name: NARAME Venancie
Profession: Procurement Officer
Birth date: 14/12/1962
Birth place: Karagwe – Tanzania
Gender: Male
Marital Status: Married
Nationality: Rwanda
Number of Dependents: 4
Cell phone Number: 250(0788501125), Email: jntabyera@gmail.com

PROFESSIONAL EXPERIENCE

Present -March 2007: Procurement Officer In-charge of Public Procurement – KIE

Duties:

- Ensuring permanent secretarial services of tender Commission meetings;
- Designing public procurement plans;
- Assisting different units in the preparation of tender documents;
- Receiving and keeping submitted bids in secure places;
- Participating in the opening and evaluation of bids;
- Preparing the letters for notification of tender awards;
- Designing the required reports on the tenders awarded;
- Ensuring the filing of documents related to public procurement;
- Ensuring the monitoring of contract execution with the service user;
- Providing information and documentation required by the Rwanda Public Procurement Authority;
• Displaying to the Rwanda Public Procurement Authority all information concerning the institution’s tenders;
• Executing any other assignment specified in procurement regulations as required by the Institute.

NB: Procurement Officer approved by Ministry of Public Service (MIFOTRA) as per Letter n°. 1142/19.21 dated 6th March 2007.

Feb 2007 – March 2002: Purchasing Officer

Duties:
• Overall control of supplies activities regarding purchasing, store management, inventory control, importation of goods and clearing of goods from customs;
• Liaising with banks in opening Licenses and letter of credit;
• Attend various bids opening and evaluation in National Tender Board;
• Preparation of tender documents;
• Preparation of purchase Orders;
• Keeping records within procurement units;
• Executing any other assignment regarding to purchasing functions as required by the Institute.

• Managing different sub stores (Electrical material store, water material store, fuel stocks and others);
• Approval of supplies invoices;
• Maintenance of stores records

Sept. 2001–Oct. 2000: Supplies Officer at ELECTROGAZ - Kimisagara WaterTreatment Plant

Duties:
• Stock controller
• Personnel administrative matter


Duties:
• In charge of Purchasing and supplies activities;
• Managing inventory;
• Importation of goods;
• Clearing of goods from customs;
• Attending bids opening meetings in National Tender Board;
• Preparation of Tender documents.
• Executing any other assignment regarding to purchasing functions as required by the Company.

July 1999 to June 1998: Acting Director of Administration (Purchasing, Logistics and Estate Departmenst – ELECTROGAZ – Head Office

Duties:
• Overall control of supplies activities regarding purchasing, store management, inventory control, importation of goods and clearing of goods from customs;
• Liaising with banks in opening Licenses and letter of credit;
• Attend various bids opening and evaluation in National Tender Board;
• Preparation of tender documents;
• Preparation of purchase Orders;
• Fleet management;
• Estate activities management;
• Executing any other assignment regarding to administration and Purchasing functions as required by the Company.

Duties:
- In charge of Purchasing and supplies activities;
- Managing inventory;
- Importation of goods;
- Clearing of good from customs;
- Attending bids opening meetings in National Tender Board;
- Preparation of Tender documents.
- Executing any other assignment regarding to purchasing functions as required by the Company.


Duties:
- Auditing of various financial documents of the Company;
- Executing any other assignment regarding to purchasing functions as required by the Company.

Nov 1997 – July 1997: Customs Clearing Officer – ELECTROGAZ – Head Office

Duties:
- Preparation of goods import licenses;
- Preparation of letter of credit;
- Clearing of goods from customs M./GERWA;
- Executing any other assignment regarding to purchasing functions as required by the Company.


Duties:
- Performing all duties related to purchases, supplies, and logistics management;
- Preparation of purchase Orders;
- Authorization of Purchase requisitions;
- Authorization of store issue vouchers;
- Authorization of transport vouchers;
- Preparation of departmental monthly reports to the Head Office;

Duties:

- Receiving and analyzing Purchase requisitions from various department/regions;
- Preparation of request for quotations;
- Participating in analyzing the quotations;
- Tender awarding;
- Preparation of suppliers contracts;

EDUCATION

Sept. 2012 - Nov. 2014

Kampala International University, Uganda
Masters, MBA for Distance Learning, Supplies and Procurement.

July 1989 – May 1992:

Mzumbe University, Tanzania
Advanced Diploma Materials Management, equivalent to Bachelor of Business Administration (Procurement and Logistics Management) Degree.

July 1983 to – May 1985:

Monduli Teacher's, Tanzania
Ordinary Diploma in Education.

July 1979 – May 1981

Advanced Certificate of Secondary School – Bukoba

Jan.1975 – Nov. 1978:

Bagamoyo Secondary School, Tanzania
Secondary School Certificate.
PROFESSIONAL TRAININGS

March 2000: A Workshop on Rwanda Procurement Code by National Tender Board
Certificate of Attendance;

August 2004: A seminar on Procurement reform in Rwanda by International Law Institute of Uganda in Cooperation with National Tender Board; Certificate of Attendance;

June 2005: A seminar on Managing Education Budgets and Resources in Higher Education; Certificate of Participation;

May 2007: A seminar on Electronic Tender Publication System with dg Market™ Technology
Certificate of Participation;


- A registered member to Chattered Institute of Purchasing and Supplies – United Kingdom

LANGUAGES

<table>
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<td>English</td>
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<td>Expert</td>
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<tr>
<td>French</td>
<td>Good</td>
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<tr>
<td>Kinyarwanda</td>
<td>Expert</td>
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</tbody>
</table>
REFERENCES

Prof. George Njoroge
Principal-University of Rwanda College of Education

Mr. KAMALI Alphonce
Former Chief Budget Manager
University of Rwanda College of Education.

Dr. Sendagi Mohammed
Director of Postgraduate College of Business Management
Kampala International University
Tel. +256782-266063