THE PROCUREMENT SYSTEMS AND THE PERFORMANCE OF ORGANISATIONS
A CASE STUDY OF CIVIL AVIATION AUTHORITY (CAA)

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DEDICATION

This work is dedicated to my mother Mrs. Bashabe Joselyne, for the scarce resources she sacrificed for my education and thank her for the love she has for education evidenced by the degree which I have attained and dedicate it to my daughter Joan Atwine Shallom.

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ABSTRACT

The study was intended to find out the procurement systems and the performance of organizations. Civil Aviation Authority as a case study.

The specific objectives of the study were: to assess the level of quality management, to determine the rate of timely procurement and delivery, to evaluate the cost rationalization concept, to find solutions to the problems faced by Civil Aviation Authority (CAA).

The method used for data collection was questionnaire to the staff members of Civil Aviation Authority (CAA). According to the research findings it was found out that procurement was conducted in the manner prescribed which helped in promoting proper accountability within Civil Aviation Authority; it was also found out that the procurement unit promoted fairness, created good collaboration of all departments during procurement process providing facilitation to fund in running its activities and helped to fund operate under estimated budget all of which have helped civil aviation authority to achieve its intended objectives. However to some extent it was it was found out that procurement unit has been inefficient in stock supplies to user department ultimately deliveries and lack of transparency all these affected the effectiveness in civil aviation authority (CAA). Procurement department/unit should always make sure that it keeps sufficient stocks to increase efficiency break downs.

Basing on the findings of the study it was recommended that the following should be done.

Procurement department/unit should always make sure that it keeps sufficient stocks to increase efficiency and effectiveness of the organization and avoid unnecessary breakdowns.

Procurement unit should build and encourage transparency. This will enable fairness if all activities are done openly to the public.

CHAPTER ONE

1.0. Introduction

This chapter covers the back ground of the study, problem statement, objectives, Scope and significant of the study.

1.1 Background of the Study

Procurement is an organization function which involves specification development, value analysis, and supplier market research, negotiations, buying activities, contract administration, and inventory control such as receiving and store management.

It advocates the purchasing practices such as obtaining the right quality, right quantity, right sourcing at the right price at the right time (6R).

AL12ll those focus on the organizational competitiveness.

However there have been various complaints about the misuse of funds in an organization in the name of procuring the organizations assets and investments.

According to project management institute (PMI) a nonprofit making organization based in USA, procurement involves the process required to acquire goods and services to attain the projects cope, outside the performing organization it is the entire process by which all classes of resources are obtained generally for a purpose of the project. The process culminates into contract between a seller and the buyer (vendor, supplier, or contractor)

According to Lyson (2000) procurement is an act of obtaining something in any way including force or pillage, purchasing on the other hand is a function responsible for obtaining and which may involve leasing, hiring or other legal means of equipment materials, supplies and services required from use in production or sale.

Therefore from the above definitions we can that they involve one common concept of obtaining implying that procurement is basically concerned with the attainment of materials and resources for organizations.

In particular having taken Civil Aviation Authority (CAA) as the case study, since it under takes various procurement items such as purchasing resources, vehicles computers and others

1.2. Statement of the Problem

Procurement is a very crucial development in any organization because it is responsible for the allocation of the largest proportions of organizations financial resources. There have been various complaints about the misuse in organizations. Evidenced in 2004 when CAA lost millions of shillings because they never followed procurement procedures, for example, the Mugoya deal to construct the Nsimbe housing projects. And why the same issues persist in the same organizations.

1.3. Objectives of the Study

1.3.1. General Objectives

To find out the role and contribution of procurement in organization despite of its continued neglect by various organizations in developing countries.

1.3.2. Specific Objectives

The specific objectives of the study were:

1. Assess the level of quality management
2. Determine the rate of timely procurement and delivery
3. Evaluate the cost rationalization concept
4. Find solutions to the problems faced by CAA

1.4 Research Questions

1) How is Quality management measured?
2) How is timely procurement and deliverance ensured?
3) Which method is used in determining the costs to be incurred

1.5 The Scope of the Study

The study was to examine the staff of CAA in regards to whether the procurement department has benefited them in terms of quality management, cost rationalization and timely procurement and deliverance aspects.

1.5.1 Geographical Scope

The study was carried out at CAA. It was chosen because it handles a wide range of procurement related activities such as computers, vehicles and other materials by the organization.

1.5.2 Subject Scope

The study was focused on the available data about the procurement system and the performance of organizations.

1.5.3 Time Scope

The study covered a period of 2009-2011. It was based on the hope of providing the most recent data which determined how procurement system helps in the performance of organization.

1.6 Significance of the Study

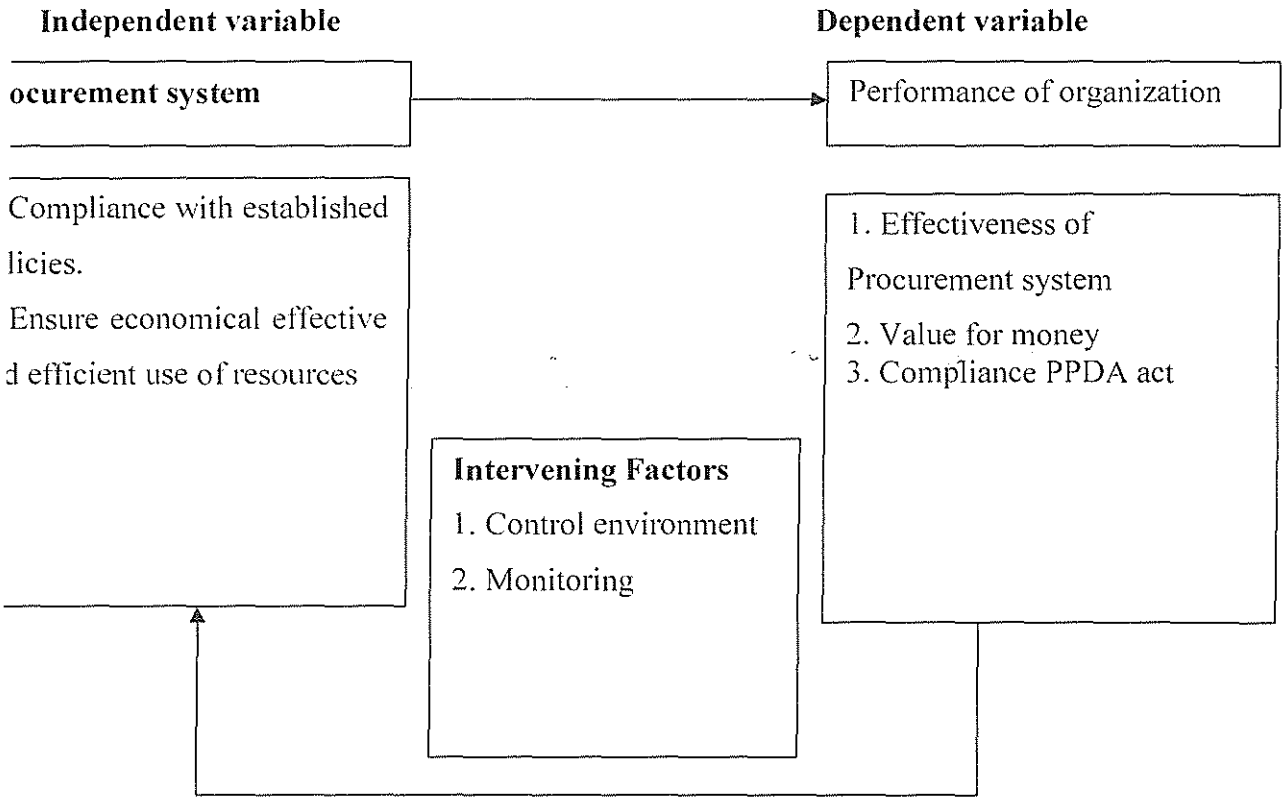
The study was used as a reference in future for those who will be researching in the same field.
The study, as a procurement student helped to acquire skills and knowledge that can be applied in future.
The information was of great importance in the organization (CAA) through computing what has been suggested and what is actually on ground. In case any inefficiency in the procurement department

1.7 Limitations of the Study

There was inefficient time to enable the researcher to conduct a more comprehensive study. This is because the researcher had to concentrate on other activities like final exams.

There were financial difficulties by the researcher and this may delayed the study. These included transport costs, communication costs, stationary, printing costs and library costs in public libraries.
Dishonest by the respondents who usually gave in wrong information.

1.8 Conceptual Framework



CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Procurement is a very critical activity for every organization. It determines what type of product or items an organization shall deliver to its clients or customers in terms of quality.

Therefore, the primary purpose of the procurement department delivery of these products and services at the right cost, or price, right quality and at the right time, which activities performed efficiently and effectively lead to the success of an organization.

According to Gary.J Zens 1994) procurement is an organization activity that that involves purchasing, supply chain management, logistics, value analysis, standardization, and storage among others. However, other scholars also overwhelmingly defined the term as follows.

According to project management institute (PMI 2000), a non-profit making organization in the US, procurement involves the process required to acquire goods and services to attain the project scope, outside the performing organization .Or it the entire process that culminates into a contract between the buyer and the seller. The seller provides the goods and services required by the buyer (vender, supplier or contract).According to Lyson (2000), procurement is obtaining something in away including force or pillage. Purchasing on the other hand is a function responsible for the obtaining which may involve leasing, or other means, of equipments materials, suppliers and services required by an undertaking for use in production or resale.

2.2 The Roles of the Procurement Department

This has been basically in three perspectives namely, quality management, cost rationalization, and timely procurement or delivery. These are variable acts as attributed to the success of any organization, if well done, it implies that the organization, will gain its competitive advantage. They are further discussed as follows.

2.2.5 Standardization and Cost Saving

According to Malcolm Saunders (2nd Ed), standardization or drive of cost saving in various organizations. The ability to meet the international standards constitutes prerequisites to the global competition. Voluntary ISO 9000 standards provide the license to compete as managers/directors state it.

Most chemical organizations such as hospitals, quality managers learn towards the view of ISO 9000 standards.

2.3 Methods Used in Procurement

According to Gary J Zens (1994), there are various methods used in the procurement including the competitive bidding methods, direct procurement, micro procurement, quotations and proposal methods among others. However, the most preferable method entails open domestic biding, international bidding and restrictive methods. This method (competitive bidding) has been used to realize quality, Cost and time management as follows:

2.3.1 The competitive Bidding Method

According to the republic of Uganda public (1993), procurement and disposal of assets act, this includes open domestic and international bidding methods all opportunities are to the public through advertisement of the bidding notice in at least one widely used newspaper (PPDA ACT 2003), the competitive method generally involves the following process in order to achieve TQM, timely procurement and value for money.

This method sometimes is also known as the tendering process. It involves basically three major phases, namely.

Contract planning/pre-award phase

Contract formation/award phase

Contract management/post award phase

A contract may take the form of written, oral, inferential or any combination of the above duly signed and there after becomes a legal document between the procuring unit and the vendor. The above listed phase is comprised of:

2.3.2 The Contract Planning Phase

This is the first stage in the tendering process. It enables managers to prepare and be able to make rational decisions of all procurements. It is the best way of achieving TQM, cost rationalization and timely procurement.

2.3.3 Procurement Planning

This is used in determining what items, services or works are best required from outside the organization. This stage is taken very important because; it is the determinant of the organization. This stage is taken very important because, its determinant of the decision on to whether to procure from a single contractor or use multiple contractors of suppliers to procure items, services works or any other supply for the organization.

2.3.4 Solicitation Planning

This is where the senior procurement officers prepare the documents to seek bids or proposals from prospective contractors of the items, services, works, and any other supplies to the organization. It involves the determination of evaluation criteria for assessing supplier's subsequent proposals or bids.

2.3.5 Solicitation Documents

It is mandatory in accordance to the standard document issued by the public procurement authority. And it is where the organizations procurement unit is required to add details such as names, addressed and logos of their entity, the eight solicitation documents are as follows.

Pre-qualification documents

Standard bidding documents for suppliers.

Standard bidding documents for works

Letter of acceptance

Standard biding documents for disposal by sale to public officers

2.3.6 Source Evaluation and Selection

This process involves receipts, bids or proposals from the prospective contractors and it is commonly referred to as evaluation of bidders (source selection typically entails the application

of the evaluation criteria against each perspective contractor's submission and this selection criteria must have been determined during the solicitation planning.)

2.3.7 Selecting Evaluation Sectors

During solicitation and source of selection process of procurement, evaluation factors to be used have to be considered. The importance of each of the selection factors in relation to the other factors has an important place at this stage. Interested bidders have to be aware of the criteria against which they will be assessed. These factors clearly reflect the; procurement entity's needs likewise facilitate the preparation of bids. These factors are chosen from a multi diplomacy team based on:

The nature and complexity of the requirements to be used

Market research

The nature and complexity of the method of the procurement used

And pervasive risk among others

There are number of selection criteria that are applied to select the best bidder out of the many, these include cost factors, non- cost factors and best practices among others as follows;

2.3.8 Cost Factors

These are also referred to as PRICE FACTORS, cost related factors and considerations vary depending on the type of the contract. However, resembles must be considered in every of contract. A reward based on price or cost that is fair and reasonable.

Meanwhile some organizations take the highest bidder, others it not a major consideration. For example, research indicated that, provided the fact that quality standard price come afterwards in terms of procurement in the organization.

Although the selection team assesses each bidder price or cost as parameters during the solicitation, the bidders are informed on what cost will be evaluated, which is normally indicated to be bidders how the cost factor will be evaluated.

2.3.9 Past Performance

The performance of the particular contractor on previous contract is an important basis for the supplier selection. A number of indicators may be highlighted to determine whether an extremely

competitive contracts where all the technicalities have to be considered to close only one best contractor.

2.3.10 Non-cost Factors

These are factors that may include the technical approach and capabilities, staff qualifications and experience among others. Non-cost factors that consider the bidder's technical and performance efficiency. Technical factors reached after comprehensive discussions and the selection team has abroad discretion in determining them. Consequently, the factors lead to the leveling rates in which the final results may be a number of close related offers with little discrimination among competitions. It should be emphasized however, that what is particularly important is not the number of factors but having the right factors, which achieves the procurement objectives that as clarified in the solicitation planning.

2.3.11 The Award of Contract

The selection decision is the three major consideration namely; transparency, accountability, and value for money. It is based on a comprehensive assessment of all bids submitted; it is normally considered with procurement guides set particularly for the valuation factors and the decision made are normally rationally based on the PPDA.

Guidelines: When the selection process team is through with their work, the selection authority compares the bids to each before the best is selected, an independent judgment is considered. Discussions between the competing bidders may be held to get more information and clarification on issue of interest to the selection authority.

Upon the notification by the selection authority to the person or department in charge, the successful bidder is informed that if he/she is in agreement with the decision, he/she comes for the signing of the contract. It is an act of transparency, and ethical consideration that the unsuccessful bidders are also informed.

2.3.12 Quotations Proposals Method

This is where there is sufficient time for open or restricted bidding such as emergency situation, or where the estimated value of procurement or disposal does not exceed the threshold stated in the procurement guideline.

The processes under which quotations procurement or disposal may take place are as follows:

The solicitation documents is addressed to the limited number of potential bidders without advertising the opportunity.

The selected supplier is normally in accordance to the PPDA. Hence are three bids obtained and internal opening is done in an ethical manner as described by the PPDA (2003)

2.3.13 Direct Procurement

This is used where there is insufficient for an open or restricted bidding procedure such as in emergency situation or the works, services or suppliers are available from only one supplier among others (PPDA Act 2003).

Negotiation as a means of achieving value for money could therefore be used under this method, because the suppliers are not subjected to competition among themselves in terms of reasonable price valuation. Consequently, negotiation should be looked at as an exceptional procurement method which is only used where the tendering process is inapplicable or when in terms are of low value, items of recurring nature and especially fabricated equipments.

2.3.14 The Store Unit

According to Kenneth Lyson (2000), this section looks at the contribution of the stores unit in the attainment of the concepts of TQM, timely procurement and cost realization.

The various factors that were considered in the achievement these fundamental concepts include the stock regulation methods and store arrangements unwed as drivers to quality, cost and time management concepts and the nature and complexity of stocked items in most cases in the fundamental factor in the determination of the methods and arrangements used.

2.3.15 Just-in-Time Concept (JIT)

According to Ronald H.B Allou (4th Ed), the extent at which JIT concept was used in the organization was minimum, despite the fact that, its common phenomenon in the private sector as a weapon of cost rationalization and competitive advantage.

The criteria involve time management, stock control and effective distribution.
Interactive interviews were conducted in the process of data collection and various respondents indicated that JIT was rarely used due to the nature and unpredicted work in the organization.

JIT represents series of procurement and supply chain techniques that aims at minimizing stock levels and improve customer service by procuring only at the exact time user requirements, but also in the exact quantity they need at competitive conditions normally in terms of price. JIT extends much further than a concentration on stock levels. It centers on the elimination of wastes.

2.4 Physical Distribution

This section looks at internal distribution unit in the management of TQM, timely procurement and cost rationalization concepts in the hospital.
The study also considered various activities involved in the distribution sector of the organization, and the organization, and the following were depicted; the method of distribution used the level of personnel experience and the strategic location of the stores as determinants of the efficiency of internal movement of materials.

Prior analyze the concept of physical distribution; we need to have understood the concept clearly. According to:
Waltery (1996), procurement is mainly concerned with moving materials suppliers into the organization. At the other end of the operation is physical distribution which is concerned with the moving finished items including assortments, and codifications from the stores to the user departments. Distribution is sometimes described as giving the final link in the supply circle. Atypical distribution system has many stakeholders arranged in hierarchy:
Procurement unit

Stores

Distribution channels

Distribution agents

User departments

Elzel etal (1997) argues that after organization establishes its channels of distribution, it must arrange for the physical distribution of its products or items through these channels.

Physical distribution which we use synonymously with logistics consists of the right place at the right time.

2.5 Functioning of the Procurement Department

According to lenders/Ferson (11th Ed) defines the way the way the procurement department operates to achieve the pre-determined objectives of quality management, timely procurement and cost rationalization. The following are some of the activities that define the operations of the procurement department.

2.6 Supply Chain Management

Supply chain management is a life cycle process comprising of physical, information, financial and knowledge flows whose purpose is to satisfy end user requirements with products and services from multiple linked suppliers (James Ayers).

2.6.1 Logistics Management

According to Ronald H. Baloou (4th Ed) the ideas of the firms linked together (supply chain) have loots in the logistic field that includes: warehousing and transportation management. Of course, physical movement of products along side stages in the supply chain is important part of the most economies. The council of logistics management (CLM 1998) defines logistics as: the part of the supply chain process that plans, implements and controls the efficient flow and storage of goods, services and related information from the point of origin to the point consumption in order to meet consumers' requirements.

According to Lyson (2000) logistics management is a process of strategically managing the acquisition, movement and storage of materials, parts and finished inventory (related information

flow)through the organization and its markets channels in such a way that current and future profitability is maximized through the cost effective fulfillment of orders.

Logistics management in very real sense is management. The design of a system and accompanying operating policies to permit effective and efficient flow as well as the control and coordination of what flow on an ongoing basis in the essential concerns of the logistics managers.(Shapiro and Heskett 1985).

2.6.2 Material Management

According to Malcom Sunders (2nd Ed) addresses the concept of material management in the procurement department. Material management in organization was presented by the use of net works and telecommunication which is used to monitor all operations of the organization.

Material management has been a driver of TQ, cost rationalization, and time management in any way organization through the effective management of purchasing processes, physical distribution processing of a given organization.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter describes the research design, area of the study, study population, sample size, techniques, and data collection methods and data analysis and collection procedures.

3.2 Research Design

The study was analytical in nature it looked towards explaining the quality management, cost reduction, and timely procurement department the study was both qualitative and quantitative.

3.3. Research Population of the Study

The study comprised of 24 employees of CAA especially those in procurement department.

3.4. Sample Size

A sample of 22 employees were purposively selected for the study and these included the administrators, accountants and senior procurement officers and they were determined using Slovene's formula as below

$$n = \frac{N}{1+N(e)^2}$$

$$n = \frac{24}{1+24 \times 0.0025}$$

$$n = 22$$

Where, n is the sample size, N is the population size and e is the level of significance is 0.05

3.5 Sampling Procedure

After deciding on the sample size, the researcher formulated a procedure of selecting the subject to be included in the sample. The role of sampling was to select a reasonable number of subjects, objects or cases that represented the target population. This provided the researcher with accurate information about groups that are too large to study in their entity.

3.6 Data Collection Methods

This refers to gathering of information to serve or prove some facts. The researcher had clear vision of the instrument to be used by the respondent and the selected area. The procedure used was influenced by the research instruments to be used as discussed below.

3.6.1 Self Administered Questionnaires

This consisted of a set of questions on a particular subject administered to the targeted respondents for study. They were used to collect data from people about their feelings, ideas, plans and options.

3.6.2 Unstructured Interviews

These are set of existing documents on the study. These included employee bidding process documents, letter of invoices and pro-forma invoices, memorandums among others which were cited as evidence in the course of research.

3.7 Data Analysis and Presentation

After the researcher acquiring the data, it was computed and edited. This was to ensure completeness, accuracy, consistence, and there by producing meaningful information.

CHAPTER FOUR

PRESENTATION, INTERPRETATION AND ANALYSIS OF DATA

4.1 Introduction

This chapter involves presentation, interpretation and analysis of research findings. The results were analyzed from raw data collected from the field and in accordance with the research objectives and questions formulated.

4.2 Personal Information

The study was based on a survey population of 22 respondents who consisted of employees from different departments of CAA.

Table 1: Showing the Sex of the Respondents

Sex	Frequency	Percentage
Male	11	50%
Female	11	50%
Total	22	100%

Source: Primary data

Table above shows that 50% of the respondents were males and 50% were females. This indicated equal participation of both sexes in the research study. However sex had no effect on the findings of the research.

Table 2: Showing the Age of the Respondents

Age	Frequency	Percentage
18-25	3	13.6%
26-30	7	31.8%
31-40	6	27.2%
41-50	4	18%
51-60	1	4.5%
Above 60	1	4.5
Total	22	100%

Source: Primary data

Table 2 above shows that 13.6% of the respondents constituted young people of 18-25 years, 31.8% of the youth between the age 26-30, 27.2% of the age between 31-40, 18% between 41-50 years and 4.5% above 60 years. Generally the organization employees are still in the youth stage that can easily change with the variation that exists in the business environment

Table 3: Showing the Level of Training

Level	Frequency	Percentage
Certificate	1	4.5%
Diploma	10	45.5%
Degree	11	50%
Masters	-	-
PHD	-	-
Others	-	-
Total	22	100%

Source: Primary data

From the table above 4.5% of the respondents had attained certificate level, 45.5% had diploma while 50% were degree holders. However the level of education had a great impact on the research since it influences procurement practices

Table 4: Showing the Marital Status of the Respondents

Status	Frequency	Percentage
Single	13	59.0%
Married	7	31.8%
Divorced	1	4.5%
Widowed	1	4.5
Total	22	100%

Source: Primary data

The table 4 indicates that 59.0% of the respondents single 31.8% were married while 4.5% divorced and also 4.5% were widowed. This indicates that the organization had many of its workers that were not much disrupted by family affairs at work this enhanced efficiency.

Table 5: Length of Employment

Period	Frequency	Percentage
1-3 years	11	50%
4-7 years	8	36.3%
8-11 years	2	9.0%
12- above	1	4.5
Total	22	100%

Source: Primary data

The bigger percentage of the respondents, 50% had been in the organization for a period of less than 3 years. 36.3% has stayed for 4-7 years, while 9.0% which is the smallest percentage had been in CAA for a period between 8-11 years. This has an impact on the research in that the longer the period a person works with the organization the more he/ she understands the behaviors of the organization/ organizational structure.

Table 6: Showing the Departments of the Respondents

Department	Frequency	Percentage
Finance	4	18.1%
Audit	2	9.0%
Administration	5	22.7%
Operation	6	27.2%
Support	5	22.7%
Total	22	100%

Source: Primary data

From the table above 18.1% of the respondents were from finance department 9.0% from audit department, 22.7% from the administration department 27.2% from the operational department and 22.7% from the support staff. This indicates on equal participation of all departments within CAA in accessing the contribution of procurement unit ion CAA.

Table 7: Showing the Position of the Respondents

Position	Frequency	Percentage
Top management	6	27.2%
Middle management	7	31.8%
Junior/ head of departments	7	31.8%
Inventory and stock control	2	9.0%
Total	**22**	**100%**

Source: Primary data

The table above indicates that 27.7% of the respondents were from top management, 31.8% were from middle management, and an equal number of respondents represented by 31.8% were from junior management/ head of departments while 4.5% was got from inventory and stock control. This distribution of respondent provided good results since e they were from department which was responsible for accountability and more over in influential positions

4.3 The Role of Procurement Unit at CAA

In this section the respondents were provided with the statements and they asked to rate them by ticking in the provided boxes to express their opinion.

Strongly scale	**Symbol**
Strongly agree	1
Agree	2
Neutral	3
Disagree	4
Strongly disagree	5

Table 8: Showing the Contribution of Procurement Unit at CAA

			1	2	3	4	5					
1	Is procurement conducted in a manner that promotes transparency?	Freq 1	Perce 4.5%	Freq 9	Perce 40.9%	Freq 4	Perc e 18%	Freq 6	Perce 27.2%	Fre q 2	Perce 9.0%	
2	Is procurement conducted in a manner that promotes accountability?	5	22.7%	6	27.2%	2	9.0%	3	13.6%	6	27.2%	
3	Is procurement conducted in a manner that promotes fairness?	8	36.3%	5	22.7%	3	13.6 %	3	13.6%	3	13.6%	
4	Do you collaborate with other departments during the procurement process and stores management?	10	45.4%	12	54.5%	-	-	-	-	-	-	-
5	Are the items procured received by the department at the right time?	1	4.5%	7	31.8%	10	45.4 %	2	9.0%	2	9.0%	
6	Do you work with the budgetary by the department at the right time?	2	9.0%	10	45.4%	3	13.6 %	5	22.7%	2	9.0%	
7	Do you always have sufficient stock supplies for the user department?	3	13.6%	3	13.6%	6	27.2 %	7	31.8%	3	13.6%	
8	Do you have total value for procurement per month?	2	9.0%	13	59.0%	2	9.0%	5	22.7%	-	-	
9	Is procurement department unit facilitated to do its work effectively in terms of its budget allocation?	6	27.2%	3	13.6%	10	45.4 %	1	4.5%	2	9.0%	-

10	Do you have proper storage for all supplies procured?	7	31.8%	9	40.9%	2	9.0 %	1	4.5%	3	13.6%	
11	Public procurement as an aspect in Uganda is based on the principles of open competition for the prospection bidders	6	27.2%	10	45.4%	1	4.5 %	3	13.6.%	2	9.0%	
12	Do you get political references from higher authority during the tendering process?	3	13.6%	9	40.9%	1	4.5 %	5	22.7%	4	18%	
13	Does procurement unit contribute significantly towards the achievements of funds?	5	22.7%	11	50%	2	9.0 %	4	18%	-	-	
14	Do you consider procurement unit as important factor in the performance of the fund	9	40.9%	8	36.3%	1	4.5 %	2	9.0%	2	9.0%	

Source: Primary Data

The table 8 above analyzed the role of procurement unit at CAA. The findings revealed that: the procurement process lacks transparent which should be the most important role of the unit this was evidenced by the most important role of the unit. This was evidenced by the 27.2% of the respondents that disagreed with the statement posed to them if procurement promotes transparency, 9.0% disagreed while 18% was not sure. This total percentage when compared to the total of the respondents who strongly agreed (22.7%) is really very low. This procurement process is not transparent. However findings it's observed that the procurement was conducted in a manner that promotes accountability. This evidenced by a 13.6% and 27.2% of the respondents who strongly agreed and agreed respectively. Nevertheless 13.6% and 9.0% of the respondents disagreed.

With the stamen that procurement helped in providing proper accountability and 9.0% was not sure. This percentage is big that it should not be under mined and 22.7% never respond. On the issue of promoting fairness, this factor is at low rate evidenced by 27.2% of respondents who agreed that it promotes fairness when compared to 9.0%, who disagreed, 19% who were not sure and 31.8% who never responded.

It was observed that there is good collaboration of all departments during procurement process and stores' arrangement. This evidence by 54.4% and 54.4% of the respondents that agreed with the statement none of the respondents opposed the statement.

Observation shows that stock supplies for the user department is sometimes not sufficient. This is evidenced by 36.6% the respondents who were natural, 22.7% who disagreed and 13.6% who strongly disagreed with the statement. However a total of 27.2% agreed they always had stuffiest stock for the user department but this is a low percentage when compared to a total of 49.9% of respondents who disagreed and 31.8% who are neutral.

However it has been found out that procurement unit had facilitated CAA to do its work effectively in terms of its budget allocation and logistics, was evidenced by 27.2% and

13.6% of respondents who agreed to the statement compared to 13.6% who disagreed and 9.0% who were neutral.

On the issue of whether items procured are received by the department bat the right time. 31.8% of the respondents agreed, 40.9% were neutral and 31.8% disagreed with the statement. If the two sides are compared it is observed that the items are not receive by the department in the right time. It takes some time for them to receive items.

On the issue working with the budget by the department at the right time, it was observed that this was normally realistic because a total of 45.4% of the respondents agreed with statement. In addition that the department had proper storage for all supplies procured. This was evidenced by 31.8% of the respondents who strongly agreed, 27.2% who agreed with the statement this has reduced the wastage of resources.

Public procurement ad aspect in Uganda is based on the principles of open competition for the prospective bidders. This has been clearly don e and it is evidenced by 13.6% and 45.4% of the respondents who agreed with the statement, however a small percentage of 4.8% who were neutral 14.3%., 9.5% who disagreed should not be ruled out. However this sometimes influenced interfered by the higher authority during the process, this is shown by the 27.2% of the respondents' and14.3% who agree, however a percentage of 22.7% and 13.6% disagreed and 4.8% was neutral. This enabled the find to achieve the value of money.

Finally it was observed that procurement unit is an important factor in the performance of funds. This was evidenced by 50% of the respondents who strongly agreed and 36.3% agreed with the statement. 4.5% was neutral and 9.0% disagreed with the stamen. This has contributed towards the achievement of the value of money/ funds as evidenced by 22.7% and 50% of the respondents. Who agreed that procurement unit significantly contributed towards the achievement of funds. However, 4.5% was neutral to the statement and 9.0% disagreed with the statement.

4.4 Assessing the Level of Quality Management

Table 9: Showing the Level of Quality Management at CAA

15	Do you receive quality products and services for execution of your duties?	Freq 1	% 4.5%	Freq 12	% 54.5%	Freq 5	% 22.7%	Freq 2	% 9.0%	Freq 2	% 9.0%
16	Are the products and services delivered to you in time to perform your duties	2	9.0%	5	22.7%	7	31.8%	6	27.2%	2	9.0%
17	Do you sometimes lack materials to use at the fund	2	9.0%	10	45.4%	2	9.0%	2	9.0%	6	27.2%
18	Does the procurement and disposal unit operate with the exacted budget plan?	3	13.6%	12	54.5%	1	4.5%	6	27.2%	-	-

Source: Primary data

From the table 9 above, it was observed that the organization received quality products and services for the execution of the duties / activities. This was evidenced by a 4.5% of respondents who strongly agreed and 54.5% that agreed with the statement this gave a total of 59% compared to 13.6% of the respondents who disagreed with the statement and 22.7% who were not sure whether products received were of good quality.

In order to enhance quality of services and products it is important to observe the time in which they were provided if they give satisfaction to the end users. According to the table above, the time was not considered, this was evidenced by 27.2% of the respondents who disagreed and 9.0% who strongly disagreed, 31.8% were not sure of that development. In this case comparing a total of 36.2% who agreed and 31.8% who were not sure with a total of 31.8% of the respondents who disagreed shows that time management in CAA is not considered as big issue. In addition to enforce quality there must be enough resources / materials to produce goods and services. From the table this was not the case with CAA.

It was evidenced by 9.0% of respondents who strongly agreed and 45.4% who agreed that CAA usually lack materials to use compared to a total of 36.2% who disagreed with the statement. This therefore affected negatively the quality of services and products delivered. However 4.8% of the respondents were not sure if this happened to the fund.

On the issue of whether procurement and disposal unit operated within the expected budget plan it was observed that at least it does. This was evidenced by 13.6% of the respondents who strongly agreed and 54.5% who agreed with the statement. This raised a total of 68.1% compared to a total of 27.2% who agreed; however only 4.5% was not sure the fund did this.

4.5 Evaluating Realization Concept the Cost

Table10: Showing how the Fund should evaluate the Cost Realization Concept

19	PPDA should mention requirements to procurement	Freq 12	% 54.5%	Freq 10	% 45.4	Freq -	% -	Freq -	% -	Freq -	% --
20	The PPDA should set standards pertaining the procurement planning	7	31.8%	15	68.1%	-	-	-	-	-	-
21	The procurement and the disposing entity should	9	40.9%	12	54.4%	1	4.5%	-	-	-	-

	develop comprehensive procurement plan										
25	Training session should be run by PPDA to emphasize on the obligation of the procurement	12	54.8%	2	9.0%	8	36.3%	-	-	-	-
26	PPDA should set standards in pertaining to the role of procurement planning to organizations	5	22.7%	12	54.7%	5	22.7%	-	-	-	-
27	The accounting officer should make the procurement plan a firemen plan a requirement if funds are to be committed	12	54.5%	10	45.5%	-	-	-	-	-	-
28	Sensitization should be carried on current challenges and underlying issues resulting from inefficient procurement process	18	81.8%	4	18%	-	-	-	-	-	-
29	The procurement and disposal entity develop comprehensive procurement policy that is pro active	11	50%	7	31.8%	2	9.0%	2	9.0%	-	-

For cost realization concept, it is necessary for an organization to plan its procurement process and products or services will be delivered in a specific time.

From the table 10 above, it was intended to find out if procurement is always planned and how the deliverances are timely made to enhance reduced cost/realize costs. According to the respondents, it was found out that PPDA should mention requirements to the procurement planning. This was evidenced by 54.5% who strongly agreed and 45.5% who agreed giving a total of 100% of respondents supporting the statement. This will enable the procurement practice to be done is a well defined thus cost realization will be achieved.

It was also suggested that PPDA should set standards pertaining to procurement planning, this was evidenced by 31.8% of the respondents that strongly agreed and 68.1% agreed with the statement. These standards will help to stream line the procurement process.

In addition the procurement and disposing entity should develop a comprehensive procurement plan; this was supported by 40.9% and 54.4% of the respondents who agreed that the plan should be developed.

The respondents also agreed that PPDA should set training sessions to emphasize on the obligations of the procurement units this was observed after 54.8% strongly agreed with the statement 9.0% who agreed this will help the responsible authorities to understand their responsibilities and these they will perform accordingly hence reducing on the un necessary losses that would be incurred by CAA.

Also important was that the accounting officer should make the procurement plan requirement if the funds are to be committed. This will enable proper accountability of the funds released by CAA. In this regard, 54.5% of the respondents strongly agree with the statement while 45.5% agreed. Thus the plan will help in proper allocation of funds in all departments hence will be realized.

Sensitization on current challenges underlying issues resulting from inefficient procurement process was also seen as an important issue. This was evidenced by 81.8% of the respondents who strongly agree with the statement and 18% who agreed this will help the departments and other stakeholders of CAA to understand their responsibilities assigned to them and there will be reduction in risks that would likely to occur and affect the fund.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

In this chapter, the summary of findings, conclusions and recommendations were recorded. The summary, recommendations and conclusion were made based on primary data analysis and from respondents to the questions presented to them.

5.2 Summary of Major Findings

5.2.1 Findings on the Contributions of Procurement Unit at CAA

According to the research findings it was found out that procurement was conducted in the manner prescribed which helped in promoting proper accountability within the CAA. It was also found out that procurement unit promoted fairness, created good collaboration of all department during procurement process providing facilitation to the fund in running its activities and helped the fund to operate under the estimated budget all of which have helped CAA to achieve its intended objectives.

However, to some extent it was found out that the procurement unit have been inefficient in stock supplies to the user department, ultimately deliveries and lack of transparency all these affected the effectiveness in CAA.

5.2.2 Assessing the level of quality management. It was found out that the organization received quality products and services for the execution of duties and that this was usually done at the right time to enable the end user get satisfaction.

5.2.3 Evaluation of cost realization concept. It was found out that CAA works with in budgeting means / funds allocated unit to execute / purchase supplies in time hence realizing costs.

5.3 Conclusions

According to the response that was given by the respondents the researcher concluded that the procurement unit has contributed greatly towards the development and management of CAA.

In addition, there was good relationship established between all the departments. This enabled collaboration and coordination of works within the organization/fund.

Quality products and services

It was found out that CAA/procurement department receive quality products and services for the execution of their duties which improved the efficient of works.

5.4 Recommendations

Procurement department/unit should always make sure that it keeps sufficient stocks to increase efficiency break downs.

Basing on the findings of the study the researcher recommends the following.

Procurement department/unit should always make sure that it keeps sufficient stocks to increase efficiency and effectiveness of the organization and avoid unnecessary breakdowns.

Procurement unit should build and encourage transparency. This will enable fairness if all activities are done openly to the public.

5.5 Areas for Further Research

The research suggests the following as possible areas for further research on procurement.

Ensuring that procurement process is not influenced by key stakeholders in the organizations as a way of improving fairness and transparency.

The procurement department should also research more about the quality of goods /supplies received by the fund.

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APPENDICES

APPENDIX I: RESEARCH INSTRUMENTS

1) RESEARCH QUESTIONAIRE ON ROLE OF PROCUREMENT

TOPIC: The contribution of procurement unit to CAA.

Introduction

This research is being carried out by **Atwine Jonan** of Kampala International University to find out role of procurement department.

The information obtained therefore will be treated with utmost confidentiality. Thank you very much for your time.

Signature:.....

SECTION A (Personal Information)

For these questions circle or tick appropriately.

1. Sex: (a) Male ☐ (b) Female ☐

2. Age (a) 18-25 ☐
   (b) 26-30 ☐
   (c) 41-50 ☐
   (d) Above 60 ☐

3. Level of training

(a) Certificate ☐

(b) Diploma ☐

(c) Degree ☐

(d) Masters ☐

(e) PHD ☐

(f) Others specified----------

4. Marital status

(a) Single ☐

(b) Married ☐

(c) Divorce ☐

(d) Windowed ☐

5. For how long have you worked for the entity (Firm?)

(a) 1-3 years ☐

(b) 4-7 years ☐

(c) 8-11 years ☐

(d) 12-above ☐

6. Which department do you work in?

(a) Finance department ☐

(b) Audit department ☐

(c) Administration department ☐

(d) Operation department ☐

(e) Support service ☐

7. Position (Responsibility)

(a) Top management ☐

(b) Middle management ☐

(c) Junior management/Head of department ☐

(d) Junior management/Head of section ☐

(e) Others (specify).....

Tick the appropriate box

The Role of Procurement Unit at CAA

1	Is procurement conducted in a manner that promotes transparency	
2	Is procurement conducted in a manner that promotes transparency?	
3 4	Is procurement conducted in a manner that promotes fairness Do you collaborate with other departments during the procurement process and stores management?	
5	Are the items procured received by the department at the right time	
6	Do you work within the budgetary by the department at the right time	
7	Do you always have sufficient stock supplies for the user department	
8	. Is the procurement department unit facilitated to do its work effectively in terms of its budget allocation and logistics	
9	Do you have proper storage for all supplies procured	
10	Public procurement as an aspect in Uganda is based on the principles of open competition for the prospective bidders	
11 12	Do you get political interference from higher authority during the tendering process Does procurement unit contribute significantly towards the achievements of funds	
13	Does procurement unit contribute significantly towards the achievements of funds	
14	Do you consider the procurement unit as an important factor in the performance of fund	

QUESTIONS TO USER DEPARTMENT

- Personnel / Administration
- Accounts and Finance
- Auditing department
- Information and Computer department

15	Do you receive quality products and services for execution of your duties	
16	Are the products and services delivered to you in time to perform your duties	
17	Do you some times lack material to use at the fund	
18	Does the procurement and disposal unit operate within the expected budget plan	

QUESTION D (Tick the appropriate number)

Rating scale:

Strongly agree (1)
Agree (2)
Neutral (3)
Disagree (4)

19	Are the products and services delivered to you in time to perform your duties?	
20	Do you some times lack material to use at the fund?	
21	Does the procurement and disposal unit operate within the expected budget plan?	
22	Public Procurement and Disposal of public Assets Authority (PPDA) should mention requirements to procurement planning	
23	The PPDA should set standards pertaining to procurement	

	planning	
24	The procurement and disposing entity should develop a comprehensive procurement plan	
25	Training sessions should be run by PPDA to emphasize on the obligations of the procurement units	
26	PPDA should set standards pertaining to the role of procurement planning organizations	
27	The accounting officer should make the procurement plan a requirement if funds are to be committed.	
28	Sensitization should be carried out on current challenges and underlying issues resulting from inefficient procurement process.	
29	The procurement and disposal entity develop a comprehensive procurement policy that is pro-active	
30		

Any Others?

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2) INTERVIEW GUIDE

1. Is procurement conducted in a manner that promotes transparency?
2. Does the procurement and disposal unit operate within the expected budget plan?
3. Are the products and services delivered to you in time to perform your duties?
4. Do you some times lack material to use at the fund?
5. Do you consider the procurement unit as an important factor in the performance of fund?
6. Do you collaborate with other departments during the procurement?
7. Does procurement unit contribute significantly towards the achievements of funds?

APPENDIX II: TIME FRAME

activity	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9
Research proposal									
Data collection									
Data analysis and presentation									
Final work									

APPENDIX III: BUDGET

	Activity	Cost (Ugx)
1	Research Proposal	**150,000**
2	Data Collection	**75,000**
3	Data Analysis And Interpretation	**65,000**
4	Final Work	**80,000**
Total		**370,000**