

**THE EFFECT OF PROCUREMENT ETHICS ON CONTRACT MANAGEMENT
CASE STUDY: MINISTRY OF WORKS AND TRANSPORT KAMPALA
UGANDA**

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**A RESEARCH REPORT SUBMITTED TO THE COLLEGE OF ECONOMICS
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UNIVERSITY**

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DECLARATION

I Mugumya Adriano, declare that this research report is my sole original research and has never been done or submitted to any institution or university for any award by any person. Due acknowledgement has been made where other work has been used.

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APPROVAL

I do certify that Mugumya Adriano a student of Kampala International University has submitted his research report under my supervision.

Signature:.....

Name: Ms. Proscovia Orodriyo

Date:.....

DEDICATION

This work is dedicated to my parents Mr. Tumusiime Chresistom Reverend and Mrs. Natukunda Boneconsiri, my sisters Natuwhera Cleophas, Kamatagi Passy, Atwikirize Immy my brothers Atwebembire Petero, Nuwamanya Lambert, and Ariniatwe Innocent. My dear friends Thembo Boaz, Monday Alex, Okello Lawrence, Nbulya Shibah, Mpumwire Judith, Aritwijuka Evelyn, Kwesiga Pius and Turyahebwa Desmond for not only the love and enthusiastic academic guidance but also the financial support they gave me during this research. Thanks much may God reward you abundantly.

ACKNOWLEDGEMENT

I thank the almighty God for his providence, blessing and intervention whenever things become tough for me God has been there and has always made a way for me where there seemed to be no ways. May his name be gloried forever.

My gratitude goes to my supervisor Ms Proscovia Orodriyo for her invaluable time and guidance that she offered to me during the time when I was doing my research. May God bless you

My sincere thanks go to my dear friends whom I have been discussing and sharing with in many areas of academics, my sisters Passy, Immy and Cleophas and the Ministry of Works and Transport for the spiritual financial, moral and materialistical support they rendered to me. May the good Lord reward you abundantly.

I am also grateful to my dearest father Mr. Tumusime Chresistom Revurand and my mother Mrs. Boneconsiri Natukunda Tumusiime for their love, care and providence they have been offering to me ever since I was born and more particularly during the time of my research. May Good bless you.

LIST OF ACRONYM

PPDA	Public Procurement and Disposal of public Assets Act
US	United States
UK	United Kingdom
PSRRC	Public Services to Review and Reorganization Commission
UNRA	Uganda National Roads authority
URF	Uganda Road Fund.
CCA	Civil Aviation Authority
LGA	Local Government Act
CC	Contracts Committee
EV	Evaluation Committee
Fig	Figure
Resp	Response

ABSTRACT

This research report looks at the effect of procurement ethics on contract management as the topic of the study was conducted in the ministry of works and transport Kampala Uganda.

The research study examines objectives which included assessing the effect of confidentiality on contract management, the effect of competition on contract management and finally the effect of transparency on contract management in the ministry of works and transport.

The researcher while with the help of tools like questionnaires and interviews found out that procurement ethics greatly affect the initiation of contracts until they are terminated. It also reveals the relative importance of competition confidentiality and transparency in achieving best contract management in the ministry. Further more the findings revealed that employees in the ministry recognize the presence of different procurement ethics that help in executing contracts as well as contract management.

This research highlights recommendations to the ministry of works and transport on procurement ethics and contract management a case in point is ensuring that different committees meant for contracts should embrace these procurement ethics and more so penalties should be put in place and applied to employees who behave unethically.

The researcher ends with a conclusion on this topic and areas for further research.

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CHAPTER ONE.

1.0 INTRODUCTION

This chapter reveals the background of the study, statement of the problem, purpose of the study, Specific objectives, and research questions, scope of the study and significances of the study.

1.1 BACKGROUND OF THE STUDY

Procurement activities in the United States(US), United Kingdom(UK) were largely coded in the procurement law and regulations. This first generation of reforms was to empower procurement professionals to carry out their duties in an ethical manner. Moreover, the laws set up various committees to award tenders or quotations, evaluate bids, and negotiate contracts, inspect and accept procured items, and dispose assets. Peng.N.C (2005) observed ethics is critical to an effective and efficient procurement process, on the other hand financing is the engine that drives it. In the case of Kenya for example, (World Bank 2007) ensuring adequate ethics in the procurement of pharmaceuticals remains an important part of medicines procurement. Pharmacists involved in hospital procurement of medicines, whether directly or indirectly, must follow the ethics that are required in the procurement of the medicines more especially during contract implementation. Here in the republic of Uganda, the Public Procurement and Disposal of public Assets Act, which aims at ensuring that the public procurement and disposal system achieves value for money while considering values like integrity, confidentiality, transparency and accountability PPDA act 2003, regulate public procurement

Historically, entities and organizations have been known for their unethical behaviors and corruption resulting from non adherence to processes and procedures, poor publication on the ethical code of conduct, poor personnel

Civil Aviation Authority (CAA), and Uganda Road Fund. The ministry deals with specialized transport and engineering works.. It is against this background that the researcher has come up to access the impact of ethics on effective contract implementation in this entity.

1.2 PROBLEM STATEMENT

Ministry of works and Transport is one of the government parastatals that have registered ineffective tendencies while implementing their contracts and this is evidenced with several investigations that have always been made by the public government bodies including parliament and police for instance the fraud in the Mukono Katosi road where by the investigations by the police have gone as far as even questioning the interdicted officials to the affiliated board of the ministry of works and transport that is Uganda National Roads Authority over the forged bank guarantees which were the basis for the paying out Shs 24 billion to a suspected bogus contraction firm (New vision of 2nd September 2014) investigations are still going. This is mainly attributed to failure of public officers in the entity more especially the procurement officers and accounting officers to follow the ethics required from them during contract implementation phase and they have ended up putting self-interest above public interest. This has left the researcher puzzled and provided him with an opportunity to carry out an assessment on what is the impact of ethics on effective contract implementation in ministry of works and transport.

1.3 PURPOSE OF THE STUDY

To examine the effect of procurement ethics on contract management in the Ministry of Works and Transport

1.4 OBJECTIVES OF THE STUDY.

1. To assess the effect of confidentiality on contract management in the Ministry of Works and Transport

2. To assess the effect of competition on contract management in ministry of Works and transport.
3. To find out the effect transparency on contract management in Ministry of Works and Transport

1.5 RESEARCH QUESTIONS

1. What is the effect of competition on contract management in Ministry of works and Transport?
2. What is the effect of confidentiality on contract management in Ministry of Works and Transport?
3. What is the effect of transparency on contract management in the Ministry of Works sand Transport?

1.6 SCOPE OF THE STUDY.

The scope of the study while cover the subject/conceptual scope, geographical area to be covered and the period of the study.

1.6.1 Conceptual scope.

The study focused on an assessment of the effect of procurement ethics on contract management by deeply examining the different procurement ethics required while ensuring contract management.

1.6.2 Geographical Scope.

The study was base at Ministry of Works and Transport located on Plot 57-59 Jinja Road P.O Box 7174 Kampala

1.6.3 Time Scope

The study was carried out for a period of four months from Septenber2014 to January 2015.This was aimed at generating objective and meaningful data.

1.7 JUSTIFICATION OF THE STUDY

- (1) The study helped the researcher to attain a bachelor's degree in procurement and supply chain management of Kampala International University as a partial fulfillment for the award.
- (2) The findings of the study also helped Ministry of Roads and Transport to understand the procurement ethics that are required from a public officer such that they can apply them in contract management
- (3) The study will fellow researchers and add more information to the already exiting literature on procurement ethics and contract management.
- (4) The study will also help the public authorities like the PPDA authority on how best they can ensure that procurement ethics are applied in procurement to yield value for money

1.8 CONCEPTUAL FRAME WORK

Figure 1.1 conceptual framework

Independent variable

Dependent

ETHICS

Competition
Confidentiality
Transparency

CONTRACT MANAGEMENT

A ward of contract
Clear deliveries
Contract termination

Favoring factors

Skilled human resource
Government policies
High Trust levels and loyalty

From the above figure, procurement ethics namely; competition, confidentiality and transparency affect contract management straight a way from award of contract, clear deliverables and contract termination. The figure also indicates that other factors such as skilled human resource, government polices, high trust levels and loyalty, financial facilitations an organizational policies contribute to contract management.

CHAPTER TWO: LITERATURE REVIEW.

2.0 INTRODUCTION

This section will analyze the available literature by different scholars about an assessment of the impact of ethics on effective contract management.

2.1 DEFINITION OF KEY VARIABLES

2.1.1 Ethics

Ethics is the study of and evaluation of human conduct in the light of moral principles. Moral principles may either be viewed as standard of conduct that individual have constructed for themselves or as the body of obligations and duties that a particular society requires of its members for example in respect of the values, norms, behaviors, beliefs and culture Adam 2008

Public officers are supposed to follow the ethical code in the execution of their duties and some ethics that are stipulated in the public procurement and disposal of public assets act and regulations. The procurement and disposal entities are required to sign the ethical code of conduct from time to time more especially during the execution of their duties Aderson.P.H. (2006).

The contracts committee(CC), evaluation committee(EC) and any other person who is hired to perform any public duty is supposed to follow the ethics and to sign the ethical code of conduct before they perform any public duty. This will mean that the officers are able and willing to execute their duties with ethics and this can help to deliver effective and efficient services to the public Atkinson. W. (2006).

2.1.2 A contract is a written or oral legally binding agreement between the parties identified in the agreement to fulfill the terms and conditions outlined in the agreement. A prerequisite requirement for the enforcement of a contract, amongst other things, is the condition that the parties to the contract accept the terms of the claimed contract. Historically, this was most commonly achieved through signature or performance, but in many jurisdictions - especially with the advance of electronic commerce - the forms of acceptance have expanded to include various forms of electronic signature. Scps.virginia.edu.2014

Contract management has been practiced since early civilization, until 1900 civil engineering projects were generally managed by creative architects and engineers themselves, among those for example Vitruvius (1st century BC), Christopher Wren (1632-1723), it was in the 1950s that organizations started to systematically apply a contract management tools and techniques to complex engineering projects.

2.1.3 Contract management or contract administration is the management of contracts made with customers, vendors, partners, or employees. Contract management includes negotiating the terms and conditions in contracts and ensuring compliance with the terms and conditions, as well as documenting and agreeing on any changes or amendments that may arise during its implementation or execution. In other wards, contract management can be summarized as the process of systematically and efficiently managing contract creation, execution, and analysis for the purpose of maximizing financial and operational performance and minimizing risk. Aberdeen Group. May 2007.

Contract management is the management of contracts made with customers, vendors, partners, or employees. Contract management includes negotiating the terms and conditions in contracts and ensuring compliance with the terms and conditions, as well as documenting and a agreeing on any changes that may a rise during its implementation or execution.

Contract management is the process, which ensures that both parties to a contract fully meet their respective obligations in order to efficiently and effectively deliver the objectives required from either party in the contract Local Government Act 2006 page 71.

Therefore, contract management can be summarized as a process of systematically and efficiently managing contract creation, execution, and analysis for the purpose of maximizing financial and operational performance and minimizing risks.

In this study, contract management will refer to award of contract, clear deliverables and contract termination.

2.2 The effect of competition on contract management

Creates a competitive environment where by bidders push each other in terms of preparing better bids to exceed or meet the required set criteria, which result in increased levels of delivery. Competition provides chance for more bidder involvement. This attracts more firms to participate in the process without isolation of some which in the short run enables entities achieve their contractual goals since having bidders who fully qualified will lead to contracting with them.(Umi 2006)

Good governance. Strengthening competition in public procurement fosters

good governance and market-oriented business environment in every entity

in developing countries. Good governance leads to better deliveries and

ensures effective and efficient performance. Pontara, 2007

Economic growth. This is mainly an increase in the market value of the goods

and a service produced by an economy over time and is attributed

to competition at all levels of procurement. Competition in the market

increases prices for goods and services; this easily affects the performance of contracts that have been put in place. Economic aspects such as inflation affect value of funds stipulated for payments over different programs of different entities. Olken, 2005;

Controls corruption practices, such as bribes and misappropriations. Health completion easily offsets procurement officers from involving into corruption practices, which give out poor deliveries in the short run. It is more likely that corruption can easily lead to poor contract performance. Therefore, competition especially at the level of getting interested parties to the contract leads to better deliveries of the contract. More so procurement officers involved in contracting have to free themselves from corruption practices. Olken, 2005;

Lead to lower procurement costs, particularly it is true when new entrants are involved in the process of procurement aiming at getting the best bidder who meets the set evaluation criteria will give birth to better performance when it comes to putting the stated terms in action that is execution of the contract. (Bresnahan and Reiss, 1991; Che and Kim, 2006).

2.3 The effect of confidentiality on contract management

Ensures safety of Competitors' information; suppliers or competitors need to be confident that commercially sensitive information enclosed in their bids will not be released to competitors or pass into the public domain as a consequence of the procurement process unless required to be so for instance during issuing , receipt as well as before bid opening which should be done in presence of the bidders or their representatives Aberdeen Group. May 2007.

Easy submission of all information necessary for contractual obligations. Security concerns could deter suppliers from offering or reduce the detail and volume of information provided in support of offers, which would not be in the public

interest. Agencies should establish clear security procedures for handling offer-related documents (that is, offer documents produced by any stakeholders that may contain commercially sensitive information meant for evaluation).

Protects the entity from breach of law. Its under confidentiality that the information supplied in confidence by a bidder shall not be disclosed where the disclosure would amount to a

breach of the law, impede law enforcement or would not be in public interest as long as the information once disclosed can put the bidder at a disadvantage in contractual commercial competition. PPDA Act 2003

protects the rights of parties involved in the contract, the disclosure of information handed over by parties for contractual purposes interferes with the right of an individual or a party to right to privacy through confidentiality parties to the contract rights are observed PPDA Act 2003

2.4 The effect of transparency on contract management in the ministry of works and transport.

Builds trust within the community. Making more information, publicity of the success of the different projects that concern the community is an empowering act that will rebuild trust between citizens and the government. Lisa 1987

Gain new ideas. Being open and creating an online forum for your government entity where residents are encouraged to participate by providing alternative ideas brush up on new ways in which communities interact with their public entities. Lisa 1994

Increased community engagement. Through transparency mostly by learning how to use both internal and external communication skills, build a more engaging community the public you have nothing to hide. This is especially effective when you're transparent operations including open and straightforward communication through the entities publicity, thus, the community will always be concerned with

reporting of the progress of the government projects that positively affect their areas.

Empower end users. When the ministry is transparent, level of trust increase and when the level is high, citizens begin to feel empowered to take responsibility in giving relevant information to the government entities about the different performance of the contractors and the contracts they are executing. This implies that with more empowerment of citizens gives them concern for better delivery of government contracts for instance with the ministry of works and transport hence positively affect contract management. Lisa 1987

Demonstrates respect for stakeholders who are both external and internal to the ministry or entity. When these stakeholders have opportunity to see and understand how the ministry operates behind the scenes and the process that are involved in all the entity's operations, they are more likely to have respect for your organization. This is especially helpful for government entities such as the ministry of works and transport that are entrusted to public funds. It is unfortunate that some organizations become transparent only after they have been involved in a scandal and have had to publicly defend themselves or otherwise explain their actions and behaviors. Transparency shows that you have nothing to hide at every level of progress of any contracts that are meant to benefit the public. Lisa 1987

CHAPTER THREE: METHODOLOGY

3.0 INTRODUCTION.

This chapter introduces the research design that the researcher used in research study. It also contains the population of the research study, the sample size of the research study, the type of data that was acquired; sources of data, data collection methods, data processing, a analysis and the limitations faced by the researcher during the research study.

3.1 Research Design

The researcher used a case study and descriptive research approaches, which included both the quantitative and qualitative research design. The researcher distributed questionnaires to the selected respondents and an interview was conducted to manipulate the variables of the study.

3.2 Area of the study and study population

The study was conducted in the ministry of works and transport located in the industrial area Kampala and involved the PDU office, CC office, offices under finance department, the offices under mechanics and engineering department and some other people with in the PDE with a study population of 51 respondents.

3.3 Sample size and techniques

3.3.1 The sample size

The study used a sample size of 31 respondents who were selected from the above population. The 31 respondents as the sample size was determined by using purposive sampling technique.

3.3.2 Sampling selection technique

Purposive sampling technique and random sampling was employed in selecting the sampling size that took part in the study. The respondents were selected basing on the offices they hold and understanding of the topic under investigation that is to say those who had idea on issues to do with procurement ethics and effective contract management

3.4 DATA COLLECTION SOURCE.

3.4.1 Primary data

Primary data were obtained using the data collection instruments that was the questionnaires and the interview. This helped the researcher to get first hand information concerning the topic and the objectives of the study since the researcher involved respondents who had knowledge on the topic Martin E.Amin (2005)

3.4.2 Secondary data

This data were got from the already published information that was obtained from the textbooks, journals, reports and some other relevant sources that had related information. Martin E.Amin 2005)

3.5 Data collection instruments.

3.5.1 Questionnaire.

The questionnaire was designed in form of scale questions that indicated the level of a agreement from strongly agree, agree, not sure, disagree, and strongly disagree. This questionnaire required respondents to express their opinions. The questionnaire was very useful for collecting data regarding the effect of the variables of the study due to the underlying prior knowledge of the effects that these procurement ethics manifest in the entire PDU in relation to contract management

3.5.2 Interview guide

An interview guide was designed and helped the researcher in conducting his research on top of the questionnaires such that the researcher used. The interview was taken on some respondents who claimed to have had limited time to fill the questionnaires and for accuracy of the data that were collected.

3.6 Data collection procedure

The questionnaire was generated and printed out by the researcher in advance. The researcher went ahead by getting an introductory letter from the department and he proceed by visiting the PDU whose request for was granted on presenting the letter to the permanent secretary of the ministry seeking permission to carry out the study. The set of questionnaires were distributed and interview carried out. An agreeable period was granted to the respondent after which the instruments were collected for further action. As soon as the questionnaires were distributed, the researcher looked for the secondary data using the secondary instrument from the relevant established data in records kept. This process allowed the researcher to have minimum time wastage in the data collection

3.7 Reliability and validity of data

In order to ensure validity and reliability of the data collection tools, the questionnaire was developed in accordance with the guidelines of Sekaran (2009) and was pretested before it was operationalized to check and test the reliability minimizing the ambiguities of the results collected. The researcher also submitted first the questionnaires and the interview guide to the supervisor for approval. This was done to confirm the reliability of the study; the tools were used in another entity to test their reliability before, A content validity index (CVI) test and was used with the following responses made: strongly agree, agree, disagree and strongly disagree. This enabled acquisition of quality information concerning the study.

3.8 Data presentation and Analysis Techniques.

The primary bio data was presented on the percentages tables and bar graphs. responses. The importance of the bio data is to establish the degree of independence and reasoning of the respondents. In order to assess the objectives of the effect of procurement ethics, the researcher intends to have data tabulated using frequency tables and bar graphs. The objective of the effects of the procurement ethics on contract management addressed using schedules generated by the respondents in order to determine the degree of agreement. The secondary data was analyzed in a narrative way to establish what goes on in the PDU in terms of procurement ethics and the effects embedded in.

3.9 Ethical considerations

In the study it is assumed that prior permission was sought from the permanent secretary, the introduction letter from the School of Business and Management, and the respondents were asked for their consent and assurance for confidentiality of the information gathered .It is also assumed that the results of the study were purely for academic purposes, which may be used by the

authorities at their wish. In the study, it is assumed that the political climate would remain stable and the data was treated confidentially.

3.10 Limitations of the study

The researcher faced a challenge of the respondents failing to answer questions due to lack of actual knowledge the fact that the research top went deep into procurement more than any other thing.

Financial costs; the researcher encountered a challenge with the costs involved in research including transport fares to the field, typing, printing, and costs of getting access to the interment.

Time; the research study was being carried out alongside other course units, class work and tests, the research found a challenge in getting enough time to collect, analyze and arrange data.

CHAPTER FOUR:

PRESENTATION, ANALYSIS AND INTERPRETATION OF DATA

4.0 INTRODUCTION

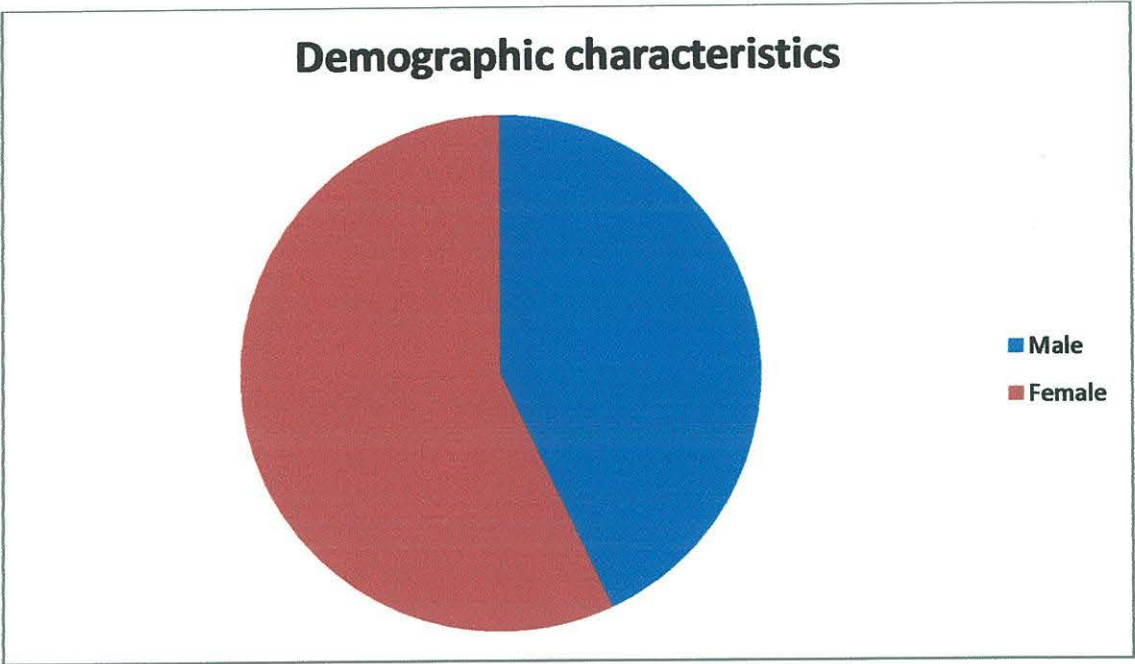
This chapter presents analyses and interprets the data obtained from the field. The interpretation and analysis were done based on the research objectives which were discussed in chapter one. The data were presented assessed and analyzed using tables, graphs, and pie charts.

Fig:4.1-Table showing demographic characteristics of respondents.

Sex	Frequencies	Percentage (%)
Male	12	43
Female	16	57

Source: Primary Data 2015

Fig 4.1.1 A pie chat showing demographic characteristic of respondents



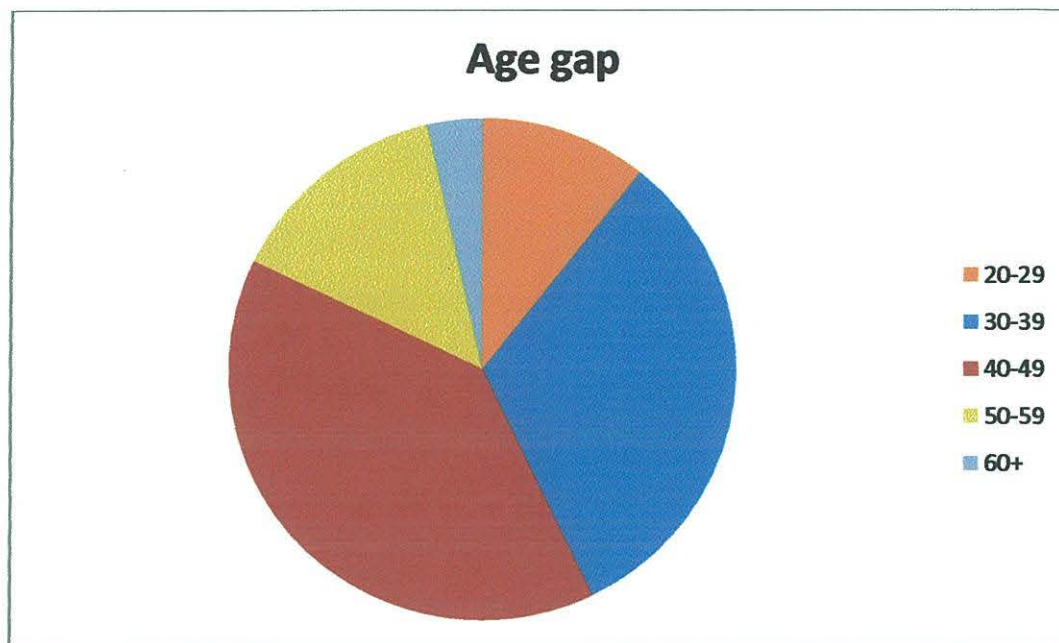
According to Figures 4.1 and 4.1.1 above, 43% of respondents were males and 57% females. This means that the gender obtained was relatively balanced.

Fig: 4.2- A table showing the age brackets of respondents

	Frequency	Percentage
20-29	3	10.7
30-39	9	32.1
40-49	11	39.3
50-59	4	14.3
60+	1	3.6
Total	28	100

Source: Primary data 2015.

Fig:4.2.1- A pie chart showing the age brackets of respondents in years.



From the a above table and pie chart, it implies that the majority of the employees in the ministry fall in the ages of 40-49

Out of the respondents, four classes were made regarding their levels of education in the ministry where 20 were postgraduates, 6 under graduates and two diploma holders implying that most workers in the ministry have their level of education a above bachelors level.

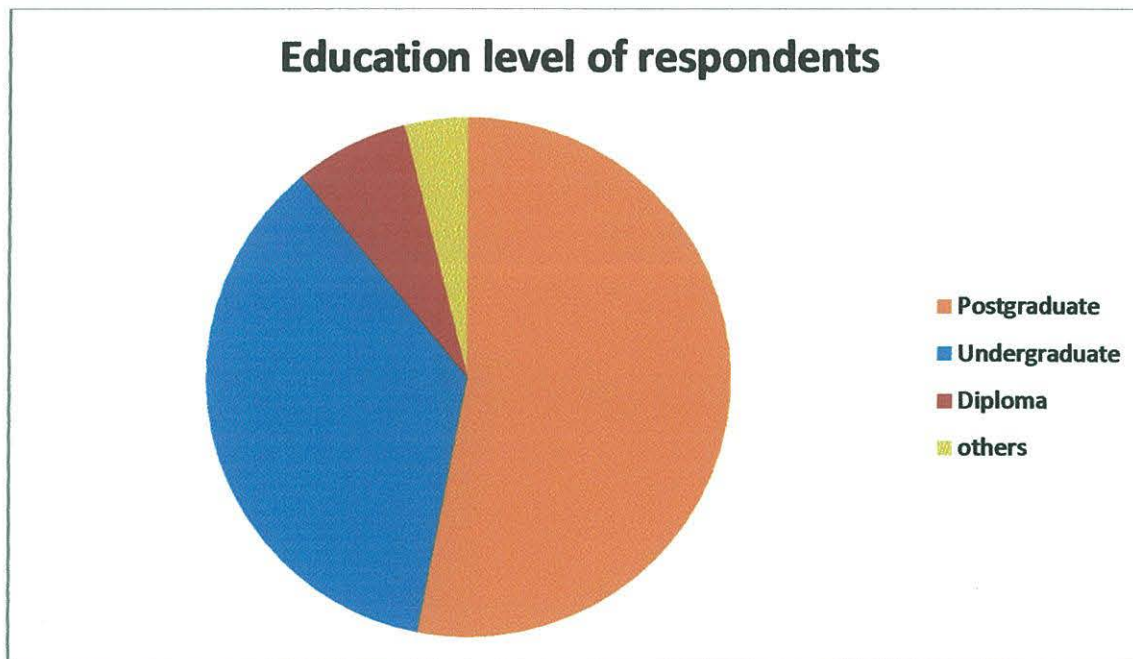
The level of education was calibrated as under

Fig: 4.3—table showing the level of education of respondents

Level	Frequency	Percentage
Post graduate	15	53
Undergraduate	10	36
Diploma	2	7
Others	1	4
Total	28	100

Source: primary data 2015

Fig 4.3.1-a pie chart showing the level of education of respondents.



Out of 28 respondents it was discovered that 13 had been in the ministry for five years and less, 12 respondents a in the same ministry had worked there for more than six years and three for more than ten years. The majority had worked

for over six years and above implying that they had due experience and more a awareness on the activities of the ministry

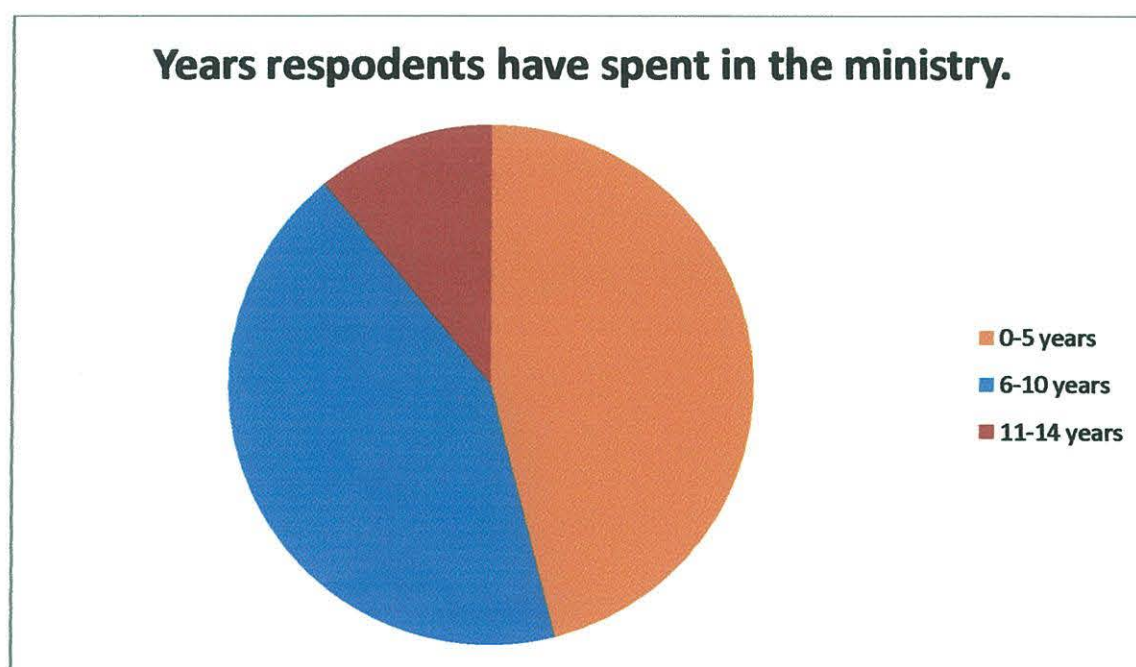
The number of years spent in the ministry was calibrated as below.

Fig:4.4-table showing years respondents have spent in the entity

Years	Frequency	Percentage.
0-5	13	46
6-10	12	43
11-14	3	11
15+	0	0

Source: primary data 2015

Fig 4.4.1a pie chart showing the years respondents have spent in the entity.



In section B, the responses were drawn to highlight whether the different procurement ethics had an effect on contract management.

The first question required to establish the effect of competition

on contract management .The result was as under.

Fig 4.5 a table indicating the frequency levels of agreement on the effects of competition on contract management.

Effect of competition		Strongly agree	Agree	Not sure	Disagree
	No of responses/ frequency				
Promotes economic Growth			26	2	0
Promotes good Governance			20	8	0
Controls corruption		27	1	0	0
Leads to reduced Procurement related costs		28		0	0
Total frequency		55	47	10	0

Source: Primary Data 2015

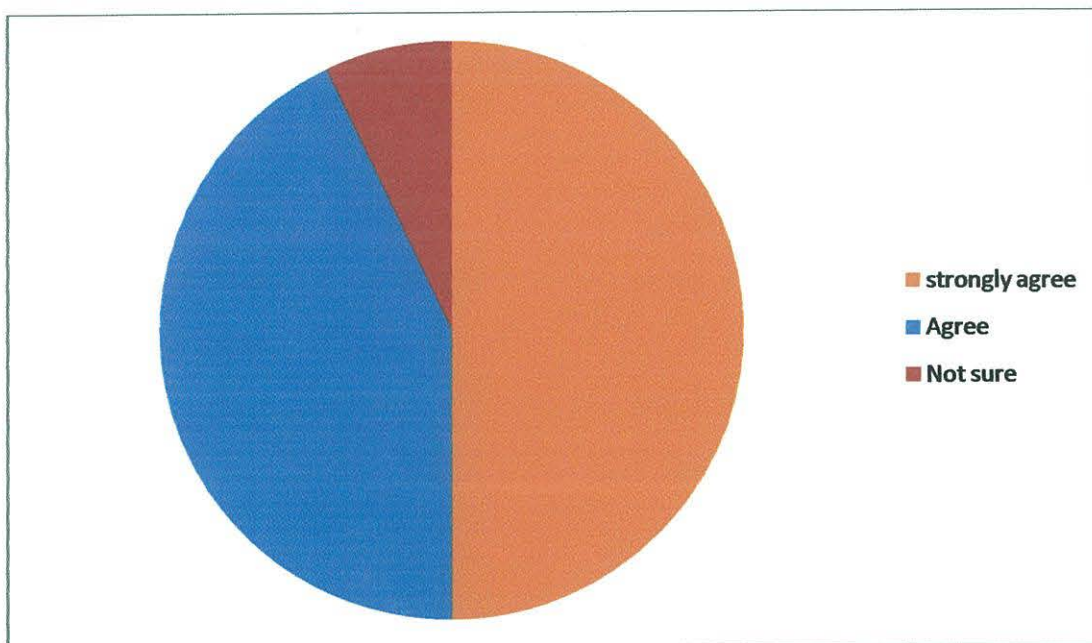
Fig 4.5.1-Table showing the average levels of agreement on the effect of competition in percentages.

	Strongly agree	Agree	Not sure	Disagree
Average No of responses/frequency	14	12	2	0
Percentage (%)	50	42.9	7.1	0

It is apparent that the majority strongly agreed that competition has an effect on contract management in the ministry. The effect is much felt in the organization as indicated by the few respondents who disagreed

The following chart depicts the responses towards the first objective of finding out the effect of competition on contract management in PDE.

Fig: 4.5.2 –pie chart showing the responses towards the effect of competition.



The second question was to establish the effect of confidentiality on contract management in the ministry where the responses concurred with the various effects of confidentiality on contract management as under

Fig 4.6- A table indicating the frequency levels of agreement

on the effects of confidentiality on contract management.

		Strongly agree	Agree	Not sure	Disagree
Effect of confidentiality					
	No of Responses/ frequency				
Ensures safety of competitors' information.		14	11	3	
Easy submission of all documents necessary for contract management		9	17	0	0
Protects the ministry from breach of the law		8	20	0	0
Protects rights of the parties to the contract		20	8	0	0
Total frequency		51	56	3	0

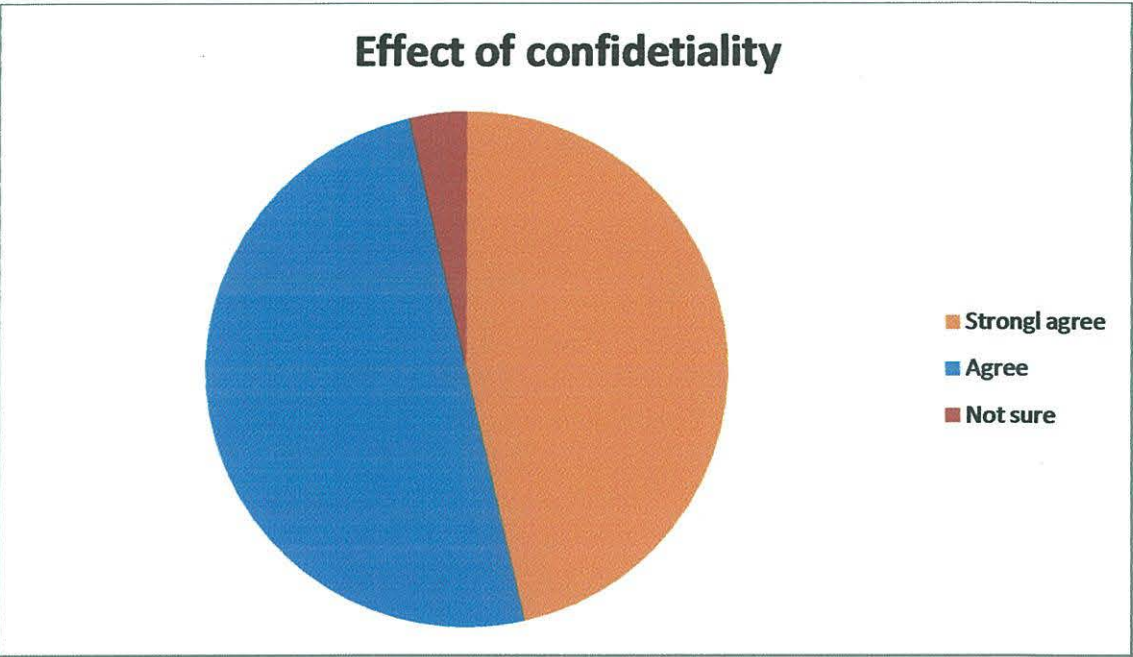
Source: primary data 2015

Fig 4.6.1-Table showing the average levels of agreement on the effect of confidentiality.

	Strongly agree	Agree	Not sure	Disagree
Average No of Responses	13	14	1	0
Percentage (%)	46.4	50	3.6	0

From fig4.6.1, it is apparent that the majority agreed that confidentiality has an effect on contract management in the ministry

Fig: 4.6.2 –pie chart showing the responses towards the effect of confidentiality on contract management.



Question 3 was requiring that personal opinion reveal whether transparency effects contract management and the responses were as under.

Fig4.7 A table indicating the frequency levels of agreement on the effects of transparency on contract management.

		Strongly agree	Agree	Not sure	Disagree
Effects of transparency					
	No of responses / Frequency				
Builds trust with in the ministry		20	8	0	0
Enables the entity to gain new ideas		10	18	0	0
Increases community/ministry engagement		11	17	0	0
Demonstrates respect for both internal and external stakeholders.		25	3	0	0
Total frequency		66	46	0	0

Source: Primary data 2015.

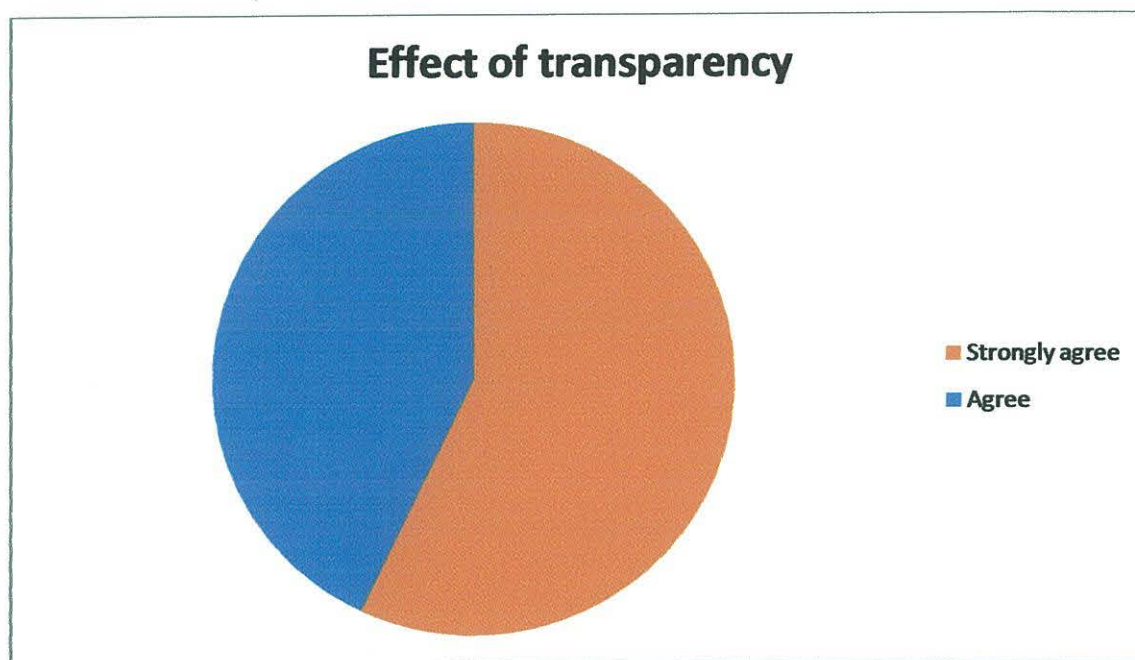
Fig 4.7.1-Table showing the average levels of agreement on the effect of transparency on contract management.

	Strongly agree	Agree	Not sure	Strongly disagree
Average No of responses	16	12	0	0
Percentage (%)	57.1	42.9	0	0

From fig4.8.1, it is apparent that the majority strongly agreed that transparency effects on contract management in the ministry

The following graph depicts the responses towards the first objective of finding out the effect of competition on contract management in PDE.

Fig: 4.7.2 –pie chart showing the responses towards the effect of transparency on contract management.



In interview interaction between nine of the respondents in the ministry, the responses were as follow.

When it came to whether the entity follow procurement ethical codes of conduct in interview the responses generated were as under:

Fig.4.8 Response from interviewees.

	Strongly agree	Agree	Not sure	Disagree	Strongly disagree
No of responses	4	3	1	1	
Percentage (%)	44.4	33.3	11.1	11.1	

The respondents concurred with the investigator that procurement ethics namely; transparency, competition, confidentiality and among others; accountability, fairness and trust are all needed in contract management in the ministry. .

From the interview held, it was revealed that there almost no penalties to officers who fail to follow these procurement ethics in the ministry. It was revealed that penalties to the unethical employees in the entity particularly relating to failure in contracts are less felt with minimal consequences.

CHAPTER FIVE:

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.0 INTRODUCTION.

This chapter presents discussions of the findings in chapter four, gives the recommendations or way forward for the ministry of works and transport and the conclusion to the research study. In addition, areas for further study are given in this chapter.

This chapter is divided into three sections the first one being the discussion of the findings, followed by the recommendations and lastly the conclusion and areas of further research.

5.1 SUMMARY OF THE FINDINGS OF THE RESEARCH OBJECTIVES.

Establishing the effect of procurement ethics namely; competition, confidentiality and transparency in the ministry of works and transport, from fig.4.1 to 4.8.2 the study reveled that procurement ethics greatly a effect the initiation till the end of the contract which has been referred to as contract management, this was evidenced by the great number of respondents who agreed with these procurement ethics.

In answering the first question of what is the effect of competition on contract management in the ministry of works and transport, it became apparent that competition as procurement ethic has an effect on contract management 93% agreed with this.

The table below shows the aggregate number of responses on the effect of competition on contract management.

Effect Of competition	Total strongly agree	% total resp	Total agree	%of resp	Total not sure	% of resp
Contributes to economic growth			26	93	2	7
Promotes good governance			20	71	8	29
Controls corruption	28	100	0	0		
Leads to reduced procurement costs	27	96	1	4		

It was also apparent that procurement ethics are not for the sake but are real and helpful in executing any contracts in the ministry. However, they tend to disregard their applicability. In the study, confidentiality was notified as the most ethical code of conduct need in the ministry’s any activity including contract management.

The table below shows the aggregate number of responses on the effect of confidentiality on contract management

Effect Of confidentiality	Total strongly agree	% total resp	Total agree	%of resp	Total not sure	% of resp
Ensures safety of competitors information	16	57	12	43		
Facilitates easy submission of necessary contractual documents	9	32	17	61	2	7
Protects the entity from breach of law	8	29	20	71		
Protects rights of the parties to the contract	20	71	8	29		

The table below shows the aggregate number of responses on the effect of transparency on contract management

Effect Of transparency	Total strongly agree	% total resp	Total agree	%of resp	Total not sure	% of resp
Builds trust with in the ministry	20	71	8	29	0	0
Enables the entity to gain new ideas	10	36	18	64	0	0
Increase ministry/community engagement.	11	39	17	61		
Demonstrates respect for external stakeholders	25	89	3	11	0	0

5.2 RECOMMENDATIONS

1. The PDE should put in practice penalties for their unethical staff so that in process of ensuring ethical code of conduct, value for money is always envisaged in the ministry.
2. The procurement ethics need to be given priority in whatever ministry's activities more so during contract management.
3. The researcher recommends having a further study on the others procurement ethics that once implemented can lead to maximum contract management performance.

5.3 CONCLUSION.

In light of the findings, the study revealed that procurement ethics are necessary for the smooth running of the contracts since they guide the implementers and make a contract breakthrough. Therefore, procurement ethics should be considered as fundamental in the ministry of works and transport and in any other PDE, if they are to achieve better contract management results thus, procurement ethics including confidentiality, competition and transparency among others play a big role in ensuring that contracts are duly executed.

5.4 OTHER AREAS FOR FURTHER RESEARCH.

Negotiation and organizational performance.

Procurement procedures and service delivery

Procurement ethics and employee performance.

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APPENDICES

APPENDIX I: A QUESTIONNAIRE FOR THE EFFECT OF PROCUREMENT ETHICS ON EFFECTIVE CONTRACT MANAGEMENT, CASE STUDY OF THE MINISTRY OF WORKS AND TRANSPORT KAMPALA UGANDA.

Dear respondent,

My name is Mugumya Adriano from Kampala International University, I kindly request you to answer the given questions. The purpose of this questionnaire is to analyze the effect of procurement ethics on contract management in the ministry of works and transport as the case study and the information required is for academic purposes and will be handled and kept with maximum confidentiality, y your response will be highly appreciated.

INSTRUCTIONS

Please tick the appropriate responses

Fill in the blank spaces where necessary

SECTION A: BIO DATA

1. Sex of the respondent

(i) Male ☐

(ii) Female ☐

2. What is your department/ position?

.....

3. Age bracket of the respondent in years

(i) 20-29 ☐ (ii) 30-39 ☐ (iii) 40-49 ☐ (iv) 50-59 ☐ and
above ☐

4. Education level

(i) Post graduate ☐ (ii) Under graduate ☐ (iii) Diploma ☐

Others specify.....

5. Years spent in the entity

(i) 0-5 ☐ (ii) 6-10 ☐ (iii) 11-14 ☐ (iv) 15 and above ☐

In the following section, please tick indicating your level of a agreement in line with the statement as illustrated below.

1=strongly agree ☐ 2=Agree ☐ 3=Not sure ☐ 4= Disagree ☐
5=strongly disagree ☐

SECTION B

The effects of competition on contract management (Please

tick appropriately)

	Strongly agree	Agree	Not sure	Disagree	Strongly disagree
Creates competitive environment					
Promotes good governance					
Ptomotes economic growth					
Controls corruption					
Leads to reduced procurement costs					

If any other specify

.....

SECTION C

The effects of confidentiality on contract management (Please tick appropriately)

	Strongly agree	Agree	Not sure	Disagree	Strongly disagree
Ensures safety of information					
Enables easy submission of all documents necessary for contract management					
Protects the entity from breach of law					
Protects rights of parties to the contract					

If others please specify.....

SECTION D

The effects of transparency on contract management (Please tick appropriately)

	Strongly agree	Agree	Not sure	Disagree	Strongly disagree
Buileds trust with the ministry					
Enables the entity to gain new ideas					
Increase ministry or community engagement					
Empowers end users					
Demonstrates respect for both internal and external stake holders					

If others please specify.....

.....

APPENDIX II

Interview guide

Questions

1. How does competition contribute to contract management in the ministry of works and transport?
2. What could be some of the effects of confidentiality on contract management in ministry of works and transport?
3. What is the effect of transparency in contract management in this ministry?
4. What party or parties mostly participate in contract management?
5. Does your entity follow procurement ethical codes of conduct?
6. What are other procurement ethical codes of conduct that are most needed during contract management in this ministry?
7. How do these procurement ethics help you while initiating and monitoring the ministry's contracts?
8. What challenges do you encounter while implementing procurement ethics?
9. Are there any penalties to officers who fail to follow these ethics in the ministry?

Closing; Is there anything more you would like to add?

I will be analyzing the information you and others will give and submit a draft report to the university in two weeks. I will be able to give a copy to your company for review at that time, if you are interested

Thanks for your time



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**COLLEGE OF ECONOMICS AND MANAGEMENT
DEPARTMENT OF HUMAN RESOURCES AND SUPPLY
MANAGEMENT**

Nov, 26th, 2014

Dear Sir/Madam,

RE: INTRODUCTORY LETTER FOR MUGUMYA ADRIANO.
REG NO. BSP/37753/123/DU

This is to introduce to you the above named student, who is a bonafide student of Kampala International University pursuing a Bachelor's Degree in Procurement and Supply Chain Management.

The purpose of this letter is to request you to avail him with all the necessary assistance regarding his research.

**Topic: - THE EFFECT OF PROCUREMENT ETHICS ON CONTRACT
MANAGEMENT.**

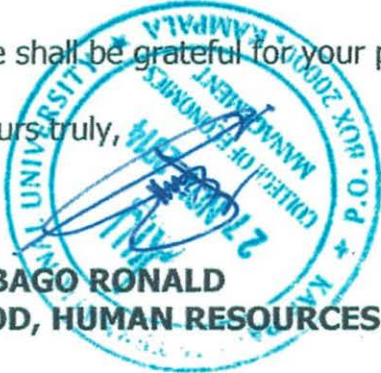
**CASE STUDY:- MINISTRY OF WORKS AND TRANSPORT, KAMPALA
UGANAD.**

Any information shared with him from your organization shall be treated with utmost confidentiality.

We shall be grateful for your positive response.

Yours truly,

MBAGO RONALD
HOD, HUMAN RESOURCES & SUPPLY MGT.



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Minister : 0414-235730 / 255028
Minister of State (Works) : 0414-349487
Minister of State (Transport) : 0414-320026
Permanent Secretary : 0414-259139 / 322
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In any correspondence on this
subject please quote No.

ADM 170/171/01

20th January 2015

Principal Procurement Officer
Ministry of Works and Transport
KAMPALA.

RE: RESEARCH— MR. MUGUMYA ADRIANO

This is to introduce to you Mr. Mugumya Adriano, a third year student at Kampala International University pursuing a Bachelor in Procurement and Supply Chain Management. He has been referred to this Ministry to conduct his research on **THE EFFECTS OF PROCUREMENT ETHICS ON CONTRACT MANAGEMENT.**

The purpose of this letter, therefore, is to attach him to your office to enable him conduct his research for a period of **one (1) month** with effect from 21st January – 21st February 2015.

Nakalanzi Joanitah
For: PERMANENT SECRETARY

Cc. The Under Secretary/F&A

✓ The Head of Department
Human Resource and Supply Management
Kampala International University
KAMPALA.

“ Mr. Mugumya Adriano
Student.

WORKS AND TRANSPORT.

