

**PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC ASSETS ACT OF 2003
AND PERFORMANCE OF NATIONAL WATER AND SEWERAGE
CORPORATION IN KAMPALA, UGANDA**

BY

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DECLARATION

I, John Baptist Ntanzi declare that this is my original work and is a result of my independent thesis and investigation, and that it has never been presented to any institution for any award.

Where it is indebted to the work of others, due acknowledgement has been made.


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APPROVAL

This is to certify that this thesis has been submitted in partial fulfillment of the requirements for the ward of a Master of Business Administration (Procurement & Supplies) degree with my approval as a University Supervisor.

Signed:  Date 12.12.2013

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Supervisor

DEDICATION

The researcher dedicates this thesis to the Almighty God, and his family who supported him in the best way possible during the course of his studies.

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LIST OF ACRONYMS

AG	Attorney General
AO	Accounting Officer
BEB	Best Evaluated Bidder Notice
BN	Billion
CAO	Chief Administrative Officer
CC	Contracts Committee
CG	Central Government
CSO	Civil Society Organisation
DP	Direct Procurement
EC	Evaluation Committee
FINMAP	Financial Management and Accountability Programme
GOU	Government of Uganda
IGG	Inspector General of Government
JBSF	Joint Budget Support Framework
KIU	Kampala International University
KPA	Key Performance Areas
KPI	Key Performance Indicators
LG	Local Government
LGA	Local Government Act Cap 243
LGPDR	Local Government Procurement and Disposal Regulations No. 39/ 2006
LPO	Local Purchase Order
MICT	Ministry of Information and Communications Technology
MOFPED	Ministry of Finance, Planning & Economic Development
MP	Micro Procurement
MOLG	Ministry of Local Government
MOPS	Ministry of Public Service
NWSC	National Water and Sewerage Corporation
OAG	Office of the Auditor General
OIB	Open International Bidding
ODB	Open Domestic Bidding
PCT	Project Coordinating Team
PDE	Procurement and Disposal Entity
PDU	Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of Public Assets Authority
PPMS	Procurement Performance Measurement System
PS/ST	Permanent Secretary/Secretary to the Treasury
RCTB	Reformed Central Tender Board
RF/Q	Request for Quotations
SBD	Standard Bidding Document
SDB	Selective Domestic Bidding
SG	Solicitor General
SIB	Selective International Bidding
SKPI	Sub Key Performance Indicator
TC	Town Clerk
UD	User Departments

ABSTRACT

The study aimed at the effectiveness of PPDA Act 2003 implementation, examining the level of procurement performance, establishing the level of organization performance in NWSC after the implementation of the PPDA Act 2003 and examining the relationship between the two variables. A study population 100 NWSC staff were considered which included Division Heads, Senior Managers, Managers, Principal Officers, and Senior Officers of National Water and Sewerage Corporation Head Office plus Kampala Water, in Industrial area. The sample size of 80 was determined based on Krejcie and Morgan (1970) table. Self-administered questionnaires were used to collect responses and measurements were done, subjected to rigorous data processing and analysis using Statistical Package for Social Scientists (SPSS). In the results, the respondents revealed that before the implementation of the PPDA Act 2003; there was some transparency, value for money, integrity but with the challenge of not following procurement procedures. There was a positive / moderate and significant relationship between the implementation of the PPDA Act 2003 on the NWSC performance.

CHAPTER ONE

1.1 Background to the study

Since the 1930s, procurement performance has been attracting great attention from practitioners, academicians and researchers. In 1931, the National Association of Purchasing Agents (NAPA) in the United States of America (USA) organised a contest on the topic. In 1945, a committee was set up by NAPA to draft guidelines on procurement performance. In 1962, the American Management Association (AMA) funded a survey to assess performance of the procurement function (Lardenoije, Van Raaij, & Van Weele, 2005). In the 1970s and 1980s, scholars conducted independently studies in American and Dutch companies on purchasing performance in which they established scores of performance.

The procurement reforms in Uganda, commenced in 1997, as a process and a key milestone, or the first key event was the National Public Procurement Forum held at the behest of the Ministry of Finance, Planning and Economic Development (MOFPED) in Entebbe. The co-chairmen of the Forum were the Heads of the Central Tender Board (CTB) and the Government Central Purchasing Corporation (GCPC) and representatives of ministries, parastatals and district tender boards participated. Neither industry representatives nor the private sector were involved. The Central Tender Board, which oversaw the procurement process in the country at that time, had a set of disparate, (in the sense that the District Governments were not covered) and outdated procurement regulations and procedures. The responsibility for procurement was inconsistent among various procuring entities within the system. The Government system operated through cash budgets that, because of a lack of coherent management attention to problems caused by this in the procurement area, made it an unreliable business partner. These problems were compounded by impoverished management practices in the procurement sub-system both at the central and district administrations (Neely, 2005).

The PPDA Act 2003, improved the business performance in Uganda by ensuring value for money, accountability, transparency, competition, published procurement guidelines, open opportunities, contract awards and other related information on the PPDA website that provided advice, guidance, and capacity training while also monitoring and evaluating compliance (Ngoma, 2009). The PPDA Act 2003 in Uganda described how public procurement should be conducted through the procurement cycle. Regardless of the effort by the PPDA Act 2003 and

the acknowledgement that the Procurement Department is capable of adding value to the organization, still a large number of the internal customers act on their own and more frequently bypass the Procuring Department (Schiele & McCue, 2006). The main reason for this is ignorance of how public procurement operates (Telgen, Zomer, & de Boer, 1997). The purpose of the procurement cycle was to encourage competition among suppliers, professionalism, good business ethics and non-discrimination among others (PPDA, 2007). The introduction of this new procurement practice in accordance with the PPDA ideology had primary objectives of the initiative value for money, transparency, accountability, in order to fight waste and corruption, unfairness and equal opportunity for all in the bidding process, integration of the public procurement system with public financial management framework, providing a more attractive investment climate by lowering risk, maximising competition to satisfy customer needs, and provision of a streamlined procurement process through the gradual adoption of electronic commerce (PPDA Act 2003).

National Water and Sewerage Corporation (NWSC) which is a utility parastatal 100% owned by the Government of Uganda. It was established in 1972 under decree No: 34. The mandate of the Corporation as defined in the National Water & Sewerage Corporation Statute of 1995, Section 5 (1) is to operate and provide water and sewerage services in towns entrusted to it, on a sound, commercial and viable basis. It was faced with the problem of not having enough information about the procurement procedure, its inputs, outputs, resource consumption and results and was therefore unable to determine their efficiency and effectiveness. This problem requires establishment of clear procurement procedures and performance standards. Performance when adopted will provide the decision-makers in the Procurement Department with unbiased and objective information regarding the performance of the procurement function (Knudsen, 1999). Although the procurement cycle is a good model for guiding procurement functions, it is also faced with many challenges. It is positive that up to 83.1% of the Service Providers are aware of procurement procedures, an indication of the efforts of PPDA Act 2003 in deepening knowledge of public procurement within the country. Most service providers (60.3%) have also adhered to and strictly followed the procurement process. officials of in NWSC are involved in the stage most vulnerable to corruption of evaluation of bids stage. Up to 57% of service providers identified evaluation of bids where bribery and corruption appears to influence the procurement process (Mugisha & Katashaya2004). Key mitigation measures

provided by PPDA act 2003 involve provision of information and training of procurement unit staff, service providers and other stakeholders. This has also helped to sensitise the public and created more alertness in the general public and thereby ensuring value for money.

1.2 Statement of the Problem

The vision of the PPDA Strategic Plan 2011-14 aims at a world-class public procurement and disposal system that is efficient, transparent and accountable. NWSC services are still not to the world-class standard, mainly due to poor procurement performance for example Up to 57% of contracts awarded do not follow all the details of the procurement process especially at the evaluation stage hence bribery and corruption appears to influence the procurement process (Mugisha et al. 2010). The standards of public procurement / PPDA Act 2003 are important parameters for gauging the efficiency of service delivery and development interventions in a country. An estimated 41% of government revenue was budgeted to be spent on procurement in FY 2009/2010. This is after consideration of the total procurement figure of Ug.Shs 1,975,981,951,094.30 as a percentage of the total domestic revenue of Ug. Shs 4.8 trillion. However, when the percentage of procurement expenditure as a proportion of the overall budget of Ug.Shs 7.3 trillion is taken it gives a figure of 27%. The implications from these figures are that a significant amount of resources are spent on procurement. Given the high levels of reported corruption, particularly in procurement (Republic of Uganda 2008), it is critical that government addresses the issue of corruption by ensuring accountability, transparency and value for money (PPDA Act 2003).

1.3 Significance of the Study

NW&SC will be able to learn from the findings of the study and improve on the procurement practices to enhance its performance. This will also help the Corporation improve its present procurement performance as well as making continuous innovations so as to emphasize value for money in all the procurements made.

PPDA Act 2003 is important in ensuring transparency, accountability, integrity hence to reduce on the level of corruption in the county and to collect information which helps to address this impediment in the service delivery and development functions of the State.

1.4 Purpose of the Study

To determine the level of PPDA Act 2003 implementation on organization performance of NWSC. According to Heinrich, 2007, theoretically, increasing the effectiveness, efficiency and transparency of public procurement systems has become an ongoing concern of governments and of the international development community.

1.5 Research Objectives

- i. To examine the level of the PPDA Act 2003 implementation
- ii. To determine the organization performance in NWSC after the implementation of the PPDA Act 2003
- iii. To establish whether were relationship between implementation of the PPDA Act 2003 on the performance of NWSC

1.6 Research Questions

- i. What was the level of the PPDA Act 2003 implementation?
- ii. What is the organizational performance in NWSC after the implementation of the PPDA Act 2003?
- iii. What is relationship between implementation of the PPDA Act 2003 on the performance of NWSC?

1.7 Hypotheses of the Study

The following hypotheses was tested:

There is a significant positive relationship between the PPDA Act 2003 implementation and organizational performance in NWSC.

1.8 Scope of the study

1.8.1 Content Scope.

The study was centered on the level of procurement performance, organizational performance and the relationship between implementation of the PPDA Act 2003 on the performance of NWSC.

1.8.2 Geographical Scope

The study was conducted at NWSC at Head Office and in Kampala Water in Industrial Area. This area was chosen because most of the procurement activity is in Kampala from where all strategic decisions are made for the other branches up country.

1.8.2 Time Scope

Since the study population consisted of public procurement officers in NWSC who were obliged by law to comply with Public Procurement and disposal of Public Assets Act (2003), the study covered the period of 2003-2013.

1.9 Conceptual Framework

INDEPENDENT VARIABLE

Implementation of PPDA Act

- Accountability
- Transparency
- Integrity
- Value for money

DEPENDENT VARIABLE

Organizational performance

- Quality of goods and services.
- Timely delivery of orders.
- Customer satisfaction.
- Flexibility.
- Quality of employees.

Source: Developed from the works of Waswa, Mwebaza, Basalirwa, Sserwanga, Matama, Mohamed & Ngoma (2009) and Sserwanga (2006)

CHAPTER TWO

LITERATURE REVIEW

2.1 Conceptual Review

The vision of the PPDA Strategic Plan 2011-14 aims at a world-class public procurement and disposal system that is efficient, transparent and accountable. This is guided by the revised Mission of the Authority to regulate and facilitate public procurement and disposal in Uganda by setting standards, building capacity and monitoring compliance and ultimately contribute to socio-economic development. PPDA Act 2003 is termed as the act that set up the Public and procurement and disposal of public Assets Authority as the principal regulatory body for public procurement and disposal. Public procurement and disposal of public Assets was gazetted in January 2003 and brought into effect by minister of finance planning and economic development on 21 February 2003. The PPDA publishes procurement guidelines open opportunities contract a wards and other related information on its website provides advice, guidance, and capacity training while also monitoring and evaluating compliance.

2.1.1 Accountability

According to Kimura (2006), Accountability is the whole process by which those responsible for the corporate standards (or entrusted to govern) private sectors are held accountable for their acts of commission and omission. The concept of accountability has gradually moved from the original objective – prevention of fraudulent and other abuses of financial stewardship- to encompass managerial efficiency, and the broader social and economic responsibilities of the corporate entity. Good corporate ethic guidelines should ensure the strategic guidance of the company, the effective monitoring of the management by the board, and board's accountability to the company and the shareholders. Campbell (2006) explains accountability as those responsible for corporate resources should regularly report to shareholders what has been done, how it has been done and with what results. The resources are under the jurisdiction of the management, unfortunately, because of the principle- agent problem, executive officers are less accountable, as they wish to get maximum benefits from institutions which they govern. Accountability is defined as 'the relationship between an actor and a forum, in which the actor has an obligation to explain and justify his or her conduct, the forum can pose questions and pass

judgement, and the actor be sanctioned' (Bovens, 2005), is there to force power to speak the truth. And since we know that power corrupts its holders and unchecked power corrupts more, the more accountability there is the better (Mark, 2005). According to (Mark 2005), there exist three different theoretical perspectives on public accountability: democratic, constitutional and cybernetic. The democratic perspective focuses on responsiveness to citizens and their representatives and is described as principal-agent relationships (strom200; storms 2003; Lupia 2003). The constitutional perspective on prevention of corruption and abuse of power. In this perspective, good governance arises from a dynamic equilibrium between the various powers of the state (Witteveen 1991; Fisher 2004:506-507). And the third perspective is the cybernetic perspective which is aimed at enhancing governmental learning. Here the chief purpose of accountability is to maintain and strengthen a government's learning capacity (Van den Berg 1999; 40; Aucoin and Heintzman 200:52-54). Demonstrated accountability by public procurement officers reduces the likely hood of unethical behaviour, reassures the community and instills confidence in all stake holders concerning the integrity of decisions.

Accountability is fundamental to the work of public sector organisations and public officials. Therefore public procurement officers have an obligation to account for the way particular duties have been performed. Accountability for outcomes in public procurement is to explain how procurement has achieved its anticipated outcomes. It shows how the public interest has been protected in the expenditure of public funds. In the context of public procurement policy, accountability by procurement officers means being able to demonstrate how an organisation has achieved its procurement objectives in a manner consistent with the objectives of the policy. In Uganda, public procurement was governed by 1977 Public Finance/Tender Board regulations under the public finance Act 1964 (The World Bank Country Procurement Assessment Report, 2004) In 1997 a task team led by the World Bank started on procurement reforms aimed at solving the weaknesses in the centralized system. The subsequent report of 1999 recommended the enacted of the PPDA Act 2003, which was passed by parliament and consequently assented to by the President. Decentralization is one of the other reforms where one of the objectives was "to improve the accountability of public procurement for effective planning and managing service delivery. Due to cognitive dissonance, some procurement officers are reluctant to change their behaviour, attitude and their motivational drive is still low in the procurement sector.

Maintaining integrity in public procurement is one of the most important pillars of modern national procurement systems (Arrow smith, Lineralli & Wallace, 2000; Kelman, 1990; Schooner, 2002).

2.1.2 Transparency

Transparency means that any management's action should be verifiable and that if any wrongs have been committed then sanctions, or penalties, will be invoked, argues Kimura (1997). Often, irregularities occur in areas where financial reporting is hazy and it becomes hard for authors to verify such information (Hnatt, 2001). Management is normally aware of such impropriety and may be reluctant to disclose any information necessary for verification of accounts. Good corporate ethical policy should ensure that timely and accurate disclosure is made on all material matters regarding the corporation including the financial situation, performance, ownership, and the governance of the company. And transparency refers to the "openness" of the process by which decisions are made, the procedures for arriving at those decisions and the disclosure or availability of information on the decisions themselves (Hnatt, 2001). Transparency is a primary consideration throughout the procurement process from the initial identification of need through to the final disposal of any property. In addition, procurement bodies should endeavor to offer unsuccessful bidders a written or oral debriefing as to why their offers were not successful. Another important element of transparency is public reporting of opportunities and agreements. A Public Officer shall be as open as possible about all the decisions and actions taken. He or she must always be prepared when called upon to give reasons for the decisions he or she has taken (Winkler, 2000). Transparency is a principle that allows those affected by administrative decisions, business transactions or charitable work to know not only the basic facts and figures but also the mechanisms and processes (Transparency International Report, 2006). It is the duty of civil servants, managers and trustees to act visibly, predictably and understandable. Transparency is henceforth a code of conduct or set of rules to guide actions and shape the Ethical behavior of procurement officials. The Procurement officials are expected to use powers and resources for public good, under government policy.

2.1.3 Integrity

Gitari (1997) explains integrity as an element of character fundamental of professional recognition. That it is the quality from which the public trust derives and the benchmark against which a member must ultimately test all decisions, While ICPAK (1982), in its guide to professional ethics states simply that a member should be straight forward, honest and sincere in his approach to his professional work. A Public Officer shall be honest and open in conducting public affairs. Civil servants and public officials are expected to make decisions and act solely in the public interest, without consideration of their private interests. Public employment being a public trust, the improper use of a public service position for private advantage is regarded as a serious breach of duty. Civil servants and public officials should make decisions and act in a fair and equitable manner, without bias or prejudice, taking into account only the merits of the matter, and respecting the rights of affected citizens (Mujabi, 2010).

2.2 Theoretical review

Theoretically, increasing the effectiveness, efficiency and transparency of public procurement systems has become an ongoing concern of governments and of the international development community (OECD, 2006). Measuring performance is a graceful way of calling an organization to account (Bruijn (2007) and in public sector performance measurement, accountability is the central concern (Heinrich, 2007). Performance measurement is viewed as a warning, diagnosis and control system, that is used to keep track of economy (looking back), efficiency (current organizational process), effectiveness (output in the short term) and efficacy (output in the long term; also called outcome) (Teelken and Smeenk, 2003). Performance measurement is the process of quantifying the efficiency and effectiveness of actions (Neely, 2005) has received increasing interest since the late 1980s (Osborne & Gaebler, 1992; Saiz, Bas & Rodri'guez, 2007). Efficiency can be measured from the purchasing organization's context where the personnel, management, procedures, policies, and information system issues are considered (Van Weele, 2000). Measuring performance of government draws a considerable amount of attention from professional associations, scholars and practitioners (Holzer & Kloby, 2005). Performance measurement systems can provide (quality) information to decision makers so that they can determine whether efforts are on course and help managers understand when their programs are succeeding or failing (Cook *et al.*,1995). From this context, procurement performance

measurement systems are intended for reporting the progress of procurement in government departments.

Theoretically, performance measurement can be constructed from an organization theory perspective. A notable scholar who thinks this way is Beryl Radin (2006). The public sector scorecard suggested by Moullin (2004) measures an organization's performance on five perspectives: The achievement of its strategic objectives, Service user/stakeholder satisfaction, organizational excellence; financial targets and innovation and learning. Performance measurement can be constructed from an organization theory perspective (Beryl, 2006). Writing on the theoretical perspective of what she described as the performance measurement movement, argued that a 'significant part of the performance measurement movement lies within that element of organization theory that searches for a science of organizations' (2006). Barnow (1992) identifies a range of performance measures, which are used in government programs which include Gross outcomes measures. Net outputs-These are measures of the value added of the program, inputs and processes measures. According to Beamon(1999), supply chain performance (including public procurement) can be measured based on cost measures, costs and activity measures, cost and customer responsiveness measures, customer responsiveness measures and flexibility.

2.3 Empirical review

The Government of Uganda has since 1997 been implementing the reforms in the public procurement which culminated into the enactment of the Public Procurement and Disposal of Public Assets Act 2003, and regulations 2003. The Act established the Public procurement and Disposal of Public Assets Authority (PPDA) as the procurement oversight body and decentralized procurement to the Ministries, Departments, Agencies (MDAs) and Local Governments. One of the main functions of the PPDA under section 7 (b) of the PPDA Act is to monitor and report on the performance of the public procurement and disposal systems in Uganda and advise on desirable changes and value for money.

PPDA has in the past implemented various measures towards monitoring the performance of public procurement using the tools of continuous procurement audits and investigations, and the compliance check assessment. The Uganda procurement system was also assessed in 2007 using the methodology for assessment of national procurement systems, a tool that was developed

under the auspices of the joint World Bank and OECD Development Assistance Committee (DAC) round table initiative. The tool that was made up of Baseline Indicators and Compliance and Performance Indicators was intended to provide a common tool which developing countries and donors can use to assess the quality and effectiveness of national procurement systems. Although these measures of performance have helped to identify areas for capacity building in public procurement, the existing system had a number of drawbacks including the following: There were many indicators being measured under the various tools without focusing on a single monitoring system with only few critical and actionable indicators acceptable to all stakeholders. There was no baseline performance data to base any progressive assessment of the performance of the public procurement systems. The indicators were mainly focused on the performance of the public procurement system at the entity level and did not cover indicators on the performance of PPDA. The poor records management system in the PDEs had impacted heavily on the availability of the data required to be collected. The design of the then monitoring tools did not provide for PDE level involvement in data collection and self-assessment which were critical for capacity building of the PDE staff PPDA therefore spearheaded the development of results based procurement performance measurement system (PPMS) based on agreed key performance indicators that are actionable by the PDEs and PPDA and which can be aggregated across all types of PDEs irrespective of their type or public function. The Procurement Performance Measurement System (PPMS) was anchored in the broader Public Financial Reform program and was to be pursued jointly between Government and the Joint Budget Support Framework (JBSF) partners as the basis for their Joint Performance Assessment Framework (JAF) review process. In order to have a sustainable institutional structure for the PPMS, the Authority established a 21 member cross-functional Task Force consisting of 6 PPDA staff and the Heads of Procurement and Disposal Units of the 15 Pilot PDEs. The criteria for selection of the Pilot PDEs was to ensure a mix of PDEs from the key sectors and large spending ministries (i.e. Health, Education, Water and Roads), one small ministry, two to three nearby and large Local Government PDEs as well as some State enterprises/corporations.

In general, all central government ministries now have contract committees and procurement units to carry out procurements and the Permanent Secretaries (Accounting Officers) provide the first line of appeal in case of complaints. The Public Procurement and Disposal of Public Assets Authority (PPDA) has replaced the former Central Tender Board which had been renamed the

Reformed Central Tender Board (RCTB) in March 2001 before the Procurement Act became effective. The PPDA is a procurement regulatory body. Thus, effectively public procurement has been decentralized to the Procuring Entities, leaving the PPDA the functions of developing regulations, guidelines, standard bidding documents and carrying out compliance checks (monitoring) and audits, publishing contract awards, and pre-qualifying and approving the use of Third Party Procurement Agents (TPPA) by Procuring and Disposal Entities. The Authority also provides a second line of appeal in case of complaints. There is no formal appeals body beyond the PPDA and a formal mechanism is yet to be established to handle appeals and complaints. As of March 2003, the Reformed Central Tender Board, which fell under the responsibility of the Ministry of Finance, Planning and Economic Development, became an independent and autonomous institution known as the Procurement and Disposal of Public Assets Authority (PPDA). The main outcome of enactment of the PPDA Act No. 1 is that the procurement process has been decentralized to the various line ministries, parastatals and government departments

An estimated 41% of government revenue was budgeted to be spent on procurement in FY 2009/2010. This is after consideration of the total procurement figure of Ug.Shs 1,975,981,951,094.30 as a percentage of the total domestic revenue of Ug. Shs 4.8 trillion. However, when the percentage of procurement expenditure as a proportion of the overall budget of Ug.Shs 7.3 trillion is taken it gives a figure of 27%. The implications from these figures are that a significant amount of resources are spent on procurement. Given the high levels of reported corruption, particularly in procurement (Republic of Uganda 2008), it is critical that government addresses the issue of corruption. Short of this no amount of economic growth will result in transformation and improved quality of life unless the leakages are closed so that public resources are utilised for their intended purpose. This is an important innovation that should be supported and sustained.

2.4 Research gap

The vision of the PPDA Strategic Plan 2011-14 aims at a world-class public procurement and disposal system that is efficient, transparent and accountable. NWSC services are still not to the world-class standard, mainly due to poor procurement performance for example Up to 57% of contracts awarded do not follow all the details of the procurement process especially at the evaluation stage hence bribery and corruption appears to influence the procurement process

(Mugisha et al. 2010). The standards of public procurement / PPDA Act 2003 are important parameters for gauging the efficiency of service delivery and development interventions in a country. An estimated 41% of government revenue was budgeted to be spent on procurement in FY 2009/2010. This is after consideration of the total procurement figure of Ug.Shs 1,975,981,951,094.30 as a percentage of the total domestic revenue of Ug. Shs 4.8 trillion. However, when the percentage of procurement expenditure as a proportion of the overall budget of Ug.Shs 7.3 trillion is taken it gives a figure of 27%. The implications from these figures are that a significant amount of resources are spent on procurement. Given the high levels of reported corruption, particularly in procurement (Republic of Uganda 2008), it is critical that government addresses the issue of corruption by ensuring accountability, transparency and value for money (PPDA Act 2003).

CHAPTER THREE

METHODOLOGY

3.0 Introduction:

This section documents the methodology that was used to arrive at the study findings. It provided an account of the procedures, analytical and statistical tools that was used to develop and come up with the study findings.

3.1 Research design:

A case study design, which was cross sectional in nature and employing both quantitative and qualitative approaches, was used. This design was used because it enabled the researcher to focus on one organization to gain an in-depth study of the problem with limited time scale. It also enabled the researcher to target a large group of respondents to obtain information without making a follow up of the respondents once information from them is obtained. Therefore, this survey helped to save on time and resources during data collection. The quantitative approach allowed the researcher to solicit information that could be quantified while the qualitative approach allowed the researcher to solicit information that could not be quantified. Combining numerical and textual information helped the researcher enrich the interpretation of findings of the study.

3.2 The study population

The study population comprised of strategic management of NWSC staff in Kampala. A study population of 100 (One hundred) at top management was considered including Division heads (7), senior managers (10), managers (13), principal officers (30) and senior officers (40) by (Mugisha 2012). The total population at NWSC in Kampala was 100.

3.3 Sample Size and procedures

The sample size of 80 was determined based on Krejcie and Morgan (1970) table. The sample of respondents was determined using random sampling to ensure un-biased responses. Respondents were randomly selected to ensure that the respondents have a common understanding of issues under discussion.

Table 2: Sample size and techniques for collection

Category	Population	Sample	Sample Technique
Division heads	7	6	Simple random sampling
senior managers	10	8	Simple random sampling
Managers	13	10	Simple random sampling
principal officers	30	24	Simple random sampling
senior officers	40	32	Simple random sampling
Total	100	80	

Source: Mugisha (2012) and sample computed using Krejcie and Morgan (1970) sampling method

3.4 Data sources

Primary data was obtained using semi-structured questionnaires from NWSC staff. Secondary data was collected scholarly journals, documents and reports from NWSC.

3.5 Data collection instruments

Primary data was collected using self-administered questionnaires. The data collection instrument was piloted from the selected members of the NWSC in Kampala to ensure that the instrument was able to get the research relevant information for the study. The pilot results were then tested for validity and reliability.

3.6 Measurement of variables

The PPDA Act, 2003 implementation is measured by accountability, integrity, value for money and transparency (Neely, (2005)). And organization performance is measured by quality, time delivery, cost and flexibility. The research variable were based on a scale of a five point Likert type ranging strongly disagree (5), disagree (4), Not sure (3), agree (2), strongly agree (1).

3.7 Validation and reliability of data

The questionnaire was tested for content validity, using the content validity index (cvi) to enable us achieve the desired data relevant to our study. Cronbach's Alpha coefficient was used to test the reliability of the instrument used as justified by Neuman (2006) and Nunnaly (1977)

Table 2: Analysis of constructs using Cronbach's Alpha

<i>Variable</i>	<i>Anchor</i>	<i>Cronbach Alpha Value</i>	<i>Content Validity Index</i>
Implementation of the PPDA Act 2003.	5 Point	0.881	0.887
Organization performance	5 Point	0.880	0.883

Source: Primary data

The results in table 3.1 above revealed that Implementation of the PPDA Act 2003 and Organization performance in NSWSC had Cronbach's Alpha coefficient of over 0.8 proving that the research instrument used to collect data from the respondents was appropriate. This was also in line with Nunally (1967).

3.8 Research procedure

A letter of authorization from the KIU was provided to NSWSC Kampala and service providers as a request for permission to conduct the study. A covering letter accompanied the data collection instruments explaining the purpose of the study. Once permission to conduct the study was given, the questionnaires were distributed directly NSWSC Kampala staff and service providers for filling and were collected once they were completed. The cover letter was also used to provide access to the interview processes, which were done on appointment with user department heads. The data collected using the questionnaires and interview guides was analyzed.

3.9 Data processing and analysis

After collecting data from respondents using self-administered questionnaires, it was edited, entered into computer data base, coded and analyzed using Statistical Package for Social Scientists (SPSS). Mean and standard deviation were used to extract the procurement performance of implementation of PPDA Act 2003 and organization performance after the implementation of PPDA. Correlation and regression approaches were used to investigate the relationship between the variables and the extent to which the independent variables (Implementation of PPDA) explained the dependent variable (organization performance after the implementation of PPDA).

CHAPTER FOUR

PRESENTATION AND INTERPRETATION OF FINDINGS

4.0 Introduction

This chapter presents the findings and interpretation of the results of the study. Presented in tandem with objectives, this chapter contains; sample characteristics including Age, gender, level of education, position in organizational and work experience of the respondents. The presentation is guided by the following research questions;

- i. What was the level of the PPDA Act 2003 implementation?
- ii. What is the level of organizational performance in NWSC after the implementation of the PPDA Act 2003?
- iii. What is relationship between implementation of the PPDA Act 2003 on the performance of NWSC?

4.1 Sample Characteristics

To present sample characteristics, frequencies were used to indicate variations of respondents based on table below; the sample characteristics were presented basing on the responses from the respondents.

Table 3: Sample Characteristics

No.	Sample characteristics
1	Age
2	Level of education
3	Gender
4	Position in organizational
5	Work experience

Source: Primary data

4.1.1 Age bracket of Respondents

Results from Table 4.1 below show most of the respondents had the age between 36-45 years for 40.0%, and 26-35 years had 27.5%, also 21.2% respondents were 46 and above years and the least respondents had the age bellow 25 with 11.3%.

Table 5: Age of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	25 & Below	9	11.3	11.3	11.3
	26-35	22	27.5	27.5	38.8
	36-45	32	40.0	40.0	78.8
	46 and above	17	21.2	21.2	100.0
Total		80	100.0	100.0	

Source: Primary data (2013)

4.1.2 Sex of Respondents

Majority of the respondents were male 60.0% and the female were 40.0% as indicated in the table; 4.2 below.

Table 5: Sex of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	48	60.0	60.0	60.0
	Female	32	40.0	40.0	100.0
Total		80	100.0	100.0	

Source: Primary data (2013)

4.1.3 Education level of respondents

The results below show that majority of respondents had degrees (52.6%), followed by those with Masters (37.4%), few of them had PHD with 10.0%. This shows that the majority of the respondents at a strategic level were educated and capable to reveal the adequate and accurate information.

Table 6: Education level of respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid				
Degree	42	52.6	52.6	52.6
Masters	30	37.4	37.4	90.0
PHD	8	10.0	10.0	100.0
Total	80	100.0	100.0	

Source: Primary data (2013)

4.1.4 Management level of respondents

From the table: 4 below, majority of the respondents were senior officials (37.4%), Principal Officers had (25.0%), Managers were (16.3%) followed by Senior Managers (12.5%) and finally Division Heads had (8.8%). Hence were only top officials who understand better the variable of effectiveness of implementation of PPDA Act 2003 and also closely work with the PDU.

Table 7: Management level of respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid				
Division Heads	7	8.8	8.8	8.8
Senior Managers	10	12.5	12.5	21.3
Managers	13	16.3	16.3	37.6
Principal Officers	20	25.0	25.0	62.6
Senior Officers	30	37.4	37.4	
Total	80	100.0	100.0	

Source: Primary data (2013)

4.1.5 How long have you been an employee of NWSC

From the table: 5 below, majority of the respondents worked for the organization for 7-10 years (48.7%), also 3-6 years (30.0%) then above 11 years (13.8%) and the least for less than 2 years (7.5%), meaning that the majority had enough experience on job hence efficiency.

Table 8: Work experience of respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Less than 2 yrs.	6	7.5	7.5	7.5
3-6 years	24	30.0	30.0	37.8
7-10 years	39	48.7	48.7	86.2
Above 11 years	11	13.8	13.8	100.0
Total	80	100.0	100.0	

Source: Primary data (2013)

4.2 The level of the PPDA ACT 2003 implementation

Results for the level of the PPDA Act 2003 implementation, the items were rated on a four point Likert scale ranging from strongly disagree (1), Disagree (2), Agree (3) and to strongly Agree (4). The findings are shown in the table 9 below.

Table 9; Descriptive Statistics “implementation of PPDA Act 2003

Implementation of PPDA Act 2003	Min	Max	Mean	Std. Dev	Variance
Procurement planning process is handled and approved by management (board) in time.	1	5	4.05	1.353	1.830
Procurements are planned, aggregated to take advantage of volume and pricing.	1	5	3.89	1.242	1.544
Planning considers capacity of suppliers, lead times, transport capacities and lot sizing.	1	5	3.89	1.449	2.099
Corruption affects the entire procurement process.	1	5	3.86	1.206	1.453
There is effective capacity building in the procurement process.	1	5	3.81	1.391	1.935
Value for money is attained in all activities carried out.	1	5	3.81	1.351	1.824
There is the integrity in the procurement process.	1	5	3.70	1.579	2.492
There is transparency in the procurement.	1	5	3.51	1.521	2.312
The procurement plan is integrated into the annual and multi-annual sector expenditure program.	1	5	3.43	1.324	1.752
The plans result into timely availability of the goods and services.	1	5	3.35	1.457	2.123
There is an approved budget for each procurement.	1	5	3.16	1.424	2.029
NWSC Budget and expenditure are well planned and carried out.	1	5	2.97	1.301	1.694
NWSC/ Supplier relationships are good and harmonious.	1	5	2.89	1.265	1.599

Procurement unit was responsible for managing the procurement planning process activities.	1	5	2.38	.794	.631
Fluctuating transportation costs affect the planning exercise in procurement.	1	5	2.35	.676	.456
All Corporation activities are planned and carried out according to the plan.	1	5	2.32	.915	.836
Procurement plan enables the achievement of maximum value for money.	1	5	2.30	.812	.659
Valid N (list wise)					

Source: Primary data (2013)

The results in the table 9; revealed that level of the PPDA Act 2003 implementation were; Procurement planning process is handled and approved by management (board) in time (Mean=4.05), Procurements are planned, aggregated to take advantage of volume and pricing and Planning considers capacity of suppliers, lead times, transport capacities and lot sizing (Mean=3.89), Corruption affects the entire procurement process (Mean=3.86).

More to that, results revealed that there is effective capacity building in the procurement process, Value for money is attained in all activities carried out (Mean=3.81), There is the integrity in the procurement process (Mean=3.70), There is transparency in the procurement (Mean=3.51), The procurement plan is integrated into the annual and multi-annual sector expenditure program (Mean=3.43), The plans result into timely availability of the goods and services (Mean=3.35). There is an approved budget for each procurement (Mean=3.16), NWSC Budget and expenditure are well planned and carried out (Mean=2.97), NWSC/ Supplier relationships are good and harmonious (Mean=2.89), Procurement unit was responsible for managing the procurement planning process activities (Mean=2.38), Fluctuating transportation costs affect the planning exercise in procurement (Mean=2.35), All Corporation activities are planned and carried out according to the plan (Mean=2.32) and finally Procurement plan enables the achievement of maximum value for money (Mean=2.30).

4.3 The level of organization performance in NWSC after the implementation of the PPDA Act 2003

Results for the level of organization performance in NWSC after the implementation of the PPDA Act 2003, the items were rated on a four point Likert scale ranging from strongly disagree (1), Disagree (2), Agree (3) and to strongly Agree (4). The findings are shown in the table 10 below.

Table10: Descriptive Statistics ‘organization performance after implementation of PPDA ACT’

Organization performance after implementation of PPDA Act 2003”	Min	Max	Mean	Std. Dev	Variance
The organization considers money in all the activities.	1	5	4.08	.759	.577
Costs at all levels of management are minimized in NSWC.	1	5	4.00	1.106	1.222
The public trusts the Corporations Managers and employees.	1	5	4.00	.850	.722
There are good stock levels to ensure continuous production.	1	5	3.97	.763	.583
NWSC project management is efficient and effective.	1	5	3.97	.687	.471
NWSC improved in the service delivery in water supply.	1	5	3.92	.829	.688
NWSC attains its strategic objectives.	1	5	3.86	.347	.120
The quality of NWSC services is very good.	1	5	3.78	.534	.285
The innovations put in place to improve the Corporation are visible.	1	5	3.78	.712	.508
Corporation employees are happy with their work and remuneration.	1	5	3.76	.796	.634
The Corporation’s image is good to both the observers and stakeholders.	1	5	3.73	.608	.369
NWSC provides safe and afforded water.	1	5	3.73	.508	.425
NWSC delivers the required services to the public effectively.	1	5	3.73	.652	.258
There is transparency and integrity at the organization.	1	5	3.70	.463	.215
There is more and cleaner water available to customers.	1	5	3.68	.884	.781
There was continuous monitoring and evaluation of the set goals.	1	5	3.65	.633	.401
NWSC has satisfied and happy customers	1	5	3.54	.650	.422
The organization encourages capacity building through training.	1	5	3.49	.768	.590
Valid N (list wise)					

The results in the table 10; revealed that level of organization performance in NWSC AFTER the implementation of the PPDA Act 2003 were; The organization considers money in all the activities (Mean=4.08), Costs at all levels of management are minimized in NSWC and the public trusts the Corporations Managers and employees (Mean=4.00), There are good stock levels to ensure continuous production and NWSC project management is efficient and effective (Mean=3.97), NWSC improved in the service delivery in water supply (Mean=3.92) and NWSC attains its strategic objectives (Mean=3.86).

Further to that, The quality of NWSC services is very good, The innovations put in place to improve the Corporation are visible both with (Mean=3.78), Corporation employees are happy with their work and remuneration (Mean=3.76), The Corporation's image is good to both the observers and stakeholders, NWSC provides safe and afforded water and NWSC delivers the required services to the public effectively (Mean=3.73) There is transparency and integrity at the organization (Mean=3,70), There is more and cleaner water available to customers (Mean=3.68), There was continuous monitoring and evaluation of the set goals (Mean=3.65) NWSC has satisfied and happy customers (Mean=3.54) and The organization encourages capacity building through training (Mean=3.49).

4.4 The relationship between implementation of the PPDA Act 2003 on the performance of NWSC

Table 11: Correlations

		Organizational performance	Implementation of PPDA Act 2003
Organizational performance	Pearson Correlation	1	.599**
	Sig. (2-tailed)		.000
	N	80	80
Implementation of PPDA Act 2003	Pearson Correlation	.599**	1
	Sig. (2-tailed)	.000	
	N	80	80

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

Results in table 8; above showed a positive/ moderate relationship between implementation of PPDA Act 2003 and organizational performance ($r = 0.599$, $p < .01$). This implied that implementation of PPDA Act 2003 construct transparency, accountability and value for money which developed quality of procurement of goods and services and timely delivery orders in the NWSC. The correlation coefficient measures some relationships between two variables.

Table 12: Correlations Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.599 ^a	.359	.341	3.29396
a. Predictors: (Constant), implementation of PPDA ACT				

According to the table 9 above; the coefficient of determination given r^2 was computed $0.599^2 = 0.358$, this means implementation of PPDA Act 2003 explains 35.8% variations in organizational performance. This means that any unit change in implementation of PPDA Act 2003 accounts for 35.8% in organizational performance.

CHAPTER FIVE

DISCUSSION, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter presents the discussion, conclusion, and recommendation arising out of the research findings in chapter four.

5.2 Discussions

5.2.1 The level of procurement performance in NWSC after the implementation of the PPDA Act 2003

According to the results for the level of procurement performance in NWSC after the implementation of the PPDA Act 2003, the respondents revealed that there was the integrity in the procurement process. This is also supported by Gitari (1997) that explains integrity as an element of character fundamental of professional recognition. While ICPAK (1982), in its guide to professional ethics states simply that a member should be straight forward, honest and sincere in his approach to his professional work.

The results further revealed that there was transparency in the procurement and Procurement planning process was handled and approved by management (board) in time. According to Campbell (2006) explains accountability as those responsible for corporate resources should regularly report to shareholders what has been done, how it has been done and with what results. The resources are under the jurisdiction of the management, unfortunately, because of the principle- agent problem, executive officers are less accountable, as they wish to get maximum benefits from institutions which they govern.

5.2.2 The level of organization performance in NWSC after the implementation of the PPDA Act 2003

From the findings, the respondents revealed that the level of procurement performance in NWSC after the implementation of the PPDA Act 2003, NWSC project management is efficient and effective, the quality of items supplied is good, and NWSC delivers the required services to the public effectively all with due to capacity building through training. This is supported by the

Country Procurement Assessment Report (April 2001), there is a serious problem within the procurement profession of lack of professionals in Uganda. Even though recruitment is in process, the procedures are very slow. The PPDA is however engaged in capacity building in both the private and government organs. Procurement officials are being trained and will get line support.

The results revealed that value for money is attained in all activities carried out NWSC Budget and expenditures in place and there is sufficient attention for compliance. This is also supported by Callahan (2000), bad procurement is partly due to lack of capacity and partly due to greed and attitude. That's why attention should go to both building capacity and supervising procurement and following up on bad procurements. At the moment, there is not sufficient attention for compliance and so those involved in procurement feel they are not watched and can do what they want. Only if there are clear checks and audits in the process and sanctions are being taken, this will change.

The results further revealed that supplier relationships are good and harmonious, all Corporation activities are planned and carried out according to plan and the innovations put in place to improve the Corporation are visible. According to Basheka (2009), both the procurement Act and the matrix of poverty reduction support oblige the government to harmonize procurement matters. This means that procurement policies and practices in local government are supposed to be in line with the standards being set at the central government level. Harmonisation of the law between the central and local government needs to be established as soon as possible. There is a code of ethics within the PPDA and the law even states that it has to be signed but there is no follow up due to the fact that the PPDA is still understaffed. Effective measures will be taken to ensure follow up.

5.2.3 The relationship between the implementation of the PPDA Act 2003 on the performance of NWSC

A positive and significant relationship between implantation of the PPDA Act 2003 on the performance of NWSC, This was in agreement with earlier studies by Waswa, Mwebaza, Basalirwa, Sserwanga, Matama, Mohamed & Ngoma (2009), Sserwanga (2006), the objectives of the Act are non-discrimination, to promote transparency, accountability and fairness, secure economy and efficiency procurement, that is to achieve value for money used, to keep

confidentiality until a successful bidder is notified of award, to follow the existing code of ethical behavior in business, to use open competitive bidding as the preferred method of procurement to award the best evaluated bidder and to increase public accessibility.

5.3.0 Conclusions

The conclusions of the research are based on the objectives identified earlier by the researcher;

5.3.1 The level of procurement performance in NWSC After the implementation of the PPDA Act 2003

In the results the respondents revealed that the level of procurement performance in NWSC after the implementation of the PPDA Act 2003 is manifested by, non-discrimination, promotion of transparency, accountability, fairness, and efficiency in procurement. Value for money was achieved and confidentiality kept until a successful bidder is notified of award.

5.3.2 The level of organization performance in NWSC after the implementation of the PPDA Act 2003

In the results the respondents revealed that the level of organization performance in NWSC after the implementation of the PPDA Act 2003 such as, improved service delivery, quality products, cost reduction, capacity building through training, efficient delivery of the required services to the public and improvement in timely preparation of contracts improved .

5.3.3 The relationship between implementation of the PPDA Act 2003 on the organization performance of NWSC

Overall, the results supported the hypothesis. The study revealed a positive/moderate and significant relationship between implementation of PPDA Act 2003 on the organization performance of NWSC. There was achievement in employee's behaviors through capacity building and training, compliance of the procurement process, improvement in value for money, transparency and accountability by eliminating the procurement scandals for example corruption, bribery, false statements hence high productivity and service delivery etc.

5.4 Recommendations

Basing on the results of the study, recommendations are made that are attaining implementation of the PPDA Act 2003. These recommendations are drawn from the findings of the study. In

light to the research of the research findings, the following recommendations are made basing on the challenges faced by PPDA Act 2003 like corruption, poor service delivery, lack of enough knowledge on the roles of PPDA Act 2003 etc. and the following should be considered;

- i. The Accounting Officers should ensure that during the planning and budgeting process of their entities, procurement is integrated into the annual work plans and annual budgets.
- ii. There should be a high level management support for establishing a system for procurement records management.
- iii. In particular the Accounting Officer should include as a specific term of reference in the appointment letter of the PDU the role of ensuring records are complete in procurement files as well the responsibility for data collection and reporting to PPDA. This will ensure an accountability center within the Entity with regard to procurement records.
- iv. Chairperson Contracts Committee should monitor the activities of PDU staff closely to ensure compliance with the PPDA Act should be undertaken on the basis of the PPMS (Procurement Performance Measurement System) tool by having reports submitted to the Contracts Committee to ensure that there is direct involvement by the procurement structures in data collection and self-assessment which is critical for capacity building of the PDE staff.
- v. PPDA should aim at strengthening the internal processes of conducting evaluations for various procurements through training of the User departments who participate in the evaluation process and the Amendments to the PPDA Regulations.
- vi. The Authority should in collaboration with the Ministry of Finance, Planning and Economic
- vii. Development use the PPMS to generate reports on the level of implementation of procurement plans as compared to actual contract payment performance and thus establish linkages with the process of monitoring levels of absorption of budgetary allocations by the PDEs.
- viii. The Authority should ensure that the various activities of monitoring PDEs including compliance checks and audits are focused on the critical and actionable indicators that have been identified to be carried forward under the PPMS.

- ix. The Authority should roll out the implementation of the PPMS in a phased strategy targeting the key sectors at central and local government.
- x. The Authority should develop a guideline for PDEs on contract management.
- xi. There should be a need to develop an interactive PPMS web based database that links PPDA to the PDEs.
- xii. There should be established minimum remuneration standards set for members of the Evaluation Committees as is the case for the Contracts Committees.
- xiii. There should be a need of strengthening the linkage among Anti-corruption institutions notably the Inspectorate of Government, the Auditor General, the PPDA, The Directorate of Ethics and Integrity, the criminal Investigations Directorate of the Police, and the Public Accounts Committee of Parliament for efficiency in PDE's.
- xiv. The central government should aim at tightening the loopholes in the public expenditure management systems.
- xv. Evaluation time frame: it is important that PPDA sponsors a reform in the law to check on the time taken to initiate and accomplish a public procurement.
- xvi. There should be a need of inculcating a National Value System that cherishes morality, integrity and accountability.

5.5 Area for the further research

This study looked at determining the effectiveness of PPDA 2003 implementation on organization performance. The researchers suggest that further studies should be carried out on PPDA Act 2003 but with emphasis on:

- i) Examining the efficiency and effectiveness of procurement processes and performance
- ii) Challenges encountered when measuring purchasing performance in achieving targets.

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APPENDIX 1; QUESTIONNAIRE

Dear Respondent,

This research is conducted in partial fulfillment of the requirements for the Award of Master of Business Administration (Procurement and Supplies) at Kampala International University (KIU). The topic under research is the effectiveness of PPDA ACT 2003 implementation on organization performance of NWSC. All the information obtained in this study is exclusively sought for academic purposes and confidentiality is priority.

Please answer the questions as accurately, honestly and completely by ticking any of the options below that best suits the questions.

Section A: General information

Please tick the appropriate box for the questionnaire that follows below:

1. Age of the respondent

25 & Below	26—35	36-45	46 and above
1	2	3	4

2. What is your gender?

Male	Female
1	2

3. What is the highest level of education you have attained?

Degree	Masters	PHD
1	2	3

4. What is your position in the organization?

Type	Code
Engineers	1
Managers	2
Supervisors	3

2. How long have you been an employee of NWSC?

Less than 2	3-6	7-10	Above 11
1	2	3	4

Main questionnaire

Please describe the level of the PPDA ACT implementation and performance in National Water and Sewerage Corporation; kindly circle your best choice equivalent score in response mode to the statements below. Be honest about your options as there is no right or wrong answers.

Score	Response	Mode	Description
5	Strongly agree	(SA)	You agree with no doubt at all
4	Agree	(A)	You agree with some doubt
3	Not sure	(N)	You agree and disagree
2	Disagree	(D)	You disagree with some doubt
1	Strongly disagree	(SD)	You disagree with no doubt at all

Section B:

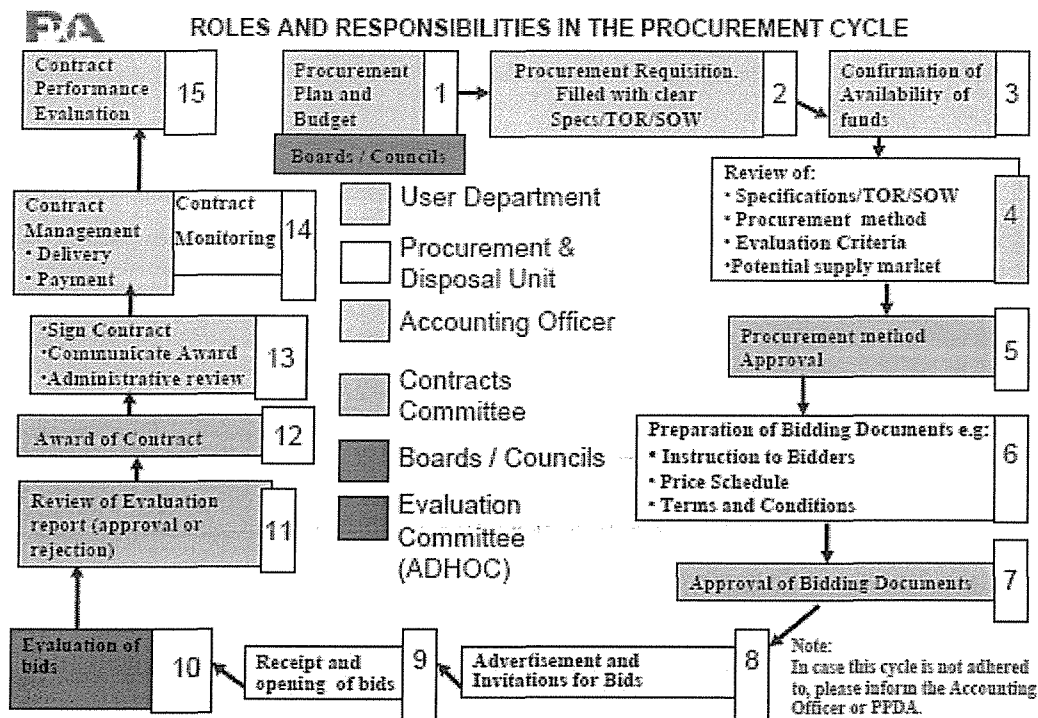
No	The implementation of the PPDA ACT.	Score				
		SD	D	N	A	SA
1	NWSC Budget and expenditure is well planned and carried out.	1	2	3	4	5
2	Value for money is attained in all activities carried out	1	2	3	4	5
3	Planning considers capacity of suppliers, lead times, transport capacities and lot sizing.	1	2	3	4	5
4	All Corporation activities are planned and carried out according to the plan.	1	2	3	4	5
5	Procurements are planned, aggregated to take advantage of volume and pricing	1	2	3	4	5
6	There is transparency in the procurement.	1	2	3	4	5
7	Corruption affects the entire procurement process.	1	2	3	4	5
8	The plans result into timely availability of the goods and services.	1	2	3	4	5
9	There was an approved budget for each procurement	1	2	3	4	5
10	The procurement plan is integrated into the annual and multi-annual sector expenditure programme.	1	2	3	4	5
11	Procurement unit is responsible for managing the procurement planning process activities	1	2	3	4	5
12	There is effective capacity building in the procurement process.	1	2	3	4	5
13	Fluctuating transportation costs affected the planning exercise in procurement.	1	2	3	4	5
14	Procurement plan enables the achievement of maximum value for money.	1	2	3	4	5
15	Procurement planning process is handled and approved by management (board) in time.	1	2	3	4	5
16	There was the integrity in the procurement process.	1	2	3	4	5

Section C:

No	The level of organization performance after the implementation of the PPDA ACT	Score				
		SD	D	N	A	SA
1	Costs at all levels of management are minimized in NSWSC.	1	2	3	4	5
2	The organization encourages capacity building through training.	1	2	3	4	5
3	NWSC project management is efficient and effective.	1	2	3	4	5
4	There is transparency and integrity at the organization.	1	2	3	4	5
5	NWSC improved in the service delivery in water supply.	1	2	3	4	5
6	The organization considers money in all the activities.	1	2	3	4	5
7	NWSC provides safe and afforded water.	1	2	3	4	5
8	There is more and cleaner water available to customers.	1	2	3	4	5
9	NWSC aims at timely delivery orders.	1	2	3	4	5
10	Corporation employees are happy with their work and remuneration.	1	2	3	4	5
11	NWSC delivers the required services to the public effectively.	1	2	3	4	5
12	The organization considers money in all the activities.	1	2	3	4	5
13	The quality of NSWSC services is very good.	1	2	3	4	5
14	NWSC has satisfied and happy customers.	1	2	3	4	5
15	The public trusts the Corporations Managers and employees.	1	2	3	4	5
16	There is continuous monitoring and evaluation of the set goals.	1	2	3	4	5
17	The innovations put in place to improve the Corporation are visible.	1	2	3	4	5

Thank you for your time and support

APPENDIX 2; PROCUREMENT CYCLE



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