

**PROCUREMENT PROCEDURES AND PROJECT SUCCESS OF SELECTED
GOVERNMENT INSTITUTIONS IN RWANDA**

A Thesis

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Master of Business Administration
In procurement and Supply
Management

By:

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DECLARATION A

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

Antoinette Kamanzi Akamanzi
Name and Signature of Candidate

28/9/2012
Date

DECLARATION B

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



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APPROVAL SHEET

This thesis entitled "**Procurement Procedures and Project Success of selected Government institutions in Rwanda**" prepared and submitted by **Antoinette Kamanzi** in partial fulfillment of the requirements for the degree of **Master of Business Administration in Procurement and Supply Management** has been examined and approved by the panel on oral examination with a grade of PASSED.

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DEDICATION

To my Family and Friends whose support has made this work a success.

To my daughters Christabelle and Nadine-Daisy for their patience and understanding when I was away for my studies.

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LIST OF ACRONYMS

CPAR	:	Country Procurement Assessment Report
KIU	:	Kampala International University
OAG	:	Office of Auditor General
PDDA	:	Public Procurement and Disposal of Public Assets
RPPA	:	Rwanda Public Procurement Authority
RRA	:	Rwanda Revenue Authority
SPSS	:	Statistical Package for Social Sciences
UNDP	:	United Nations Development Program
WB	:	World Bank

ABSTRACT

The purpose of the study was to investigate the effects of procurement procedures on the success of projects in selected government institutions. The objectives of the study were to determine the extent of the procurement procedures in selected government institutions; determine the level of project success in selected government institutions; and to determine if there is a significant relationship between procurement procedures and the success of projects. The main method of data collection was a questionnaire administered to selected staff in the selected government institutions. The targeted population was 168 from selected Ministries of Finance, Infrastructure, Agriculture, Health, Education and Local Government and the sample size was 118. Sampling of respondents was based on Sloven's formula. Descriptive research design, means and Pearson correlation coefficient were applied to analyze the findings. The research results indicated that respondents with degree (62.7%) have the biggest representation; over 72% of respondents were aged between 35 and below. Most of the respondents (52.5%) were male while women represented 47.5%. 39% of respondents had working experience of 5 but below 10 years, and 26.3% had working experience of 10 years and above. The extent of procurement procedures in selected government institutions was rated by the average mean of 2,139, whereas the level of project success was rated by the mean range of 2,055. The findings indicated that there is a high positive correlation $r=0.672$ and a significance of $P=0.000$ between the procurement procedures and the success of projects. Thus, the findings revealed that there is a significant relationship between procurement procedures and projects success of selected government institutions, then the null hypothesis was rejected. Based on the research results, it was revealed that there is an urgent need for the Government of Rwanda to build and strengthen capacity in procurement procedures for its staff involved in procurement operations at all levels. Also, it was recommended to put in place strong control mechanisms that could help to monitor procurement processing in order to achieve its principal goal that is "value for money". Putting in place an e-procurement system at national level was also recommended as it would facilitate procurement transactions; reduce delays, fraud and corruptions cases.

CHAPTER ONE

THE PROBLEM AND ITS SCOPE

Background of the Study

Public procurement refers to the acquisition of goods and services by government or public sector organisations. However the terms “procurement”, “commissioning” and “purchasing” are often used interchangeably in the literature. Caldwell and Bakker (2009) argue that procurement and purchasing refer to similar activities, with procurement often being identified with public sector buying, and purchasing with private sector activities. However most authors (and indeed this report) consider that procurement is broader than purchasing. According to Murray (2009) and ODPM (2003), procurement comprises the purchasing cycle and the make-or-buy options appraisal. However, just because procurement includes such strategic decisions does not mean that procurement professionals take those decisions. Indeed the scope of the procurement function is much broader than that of the procurement department. Often purchases are made outside of the procurement department, and non-procurement specialists influence sourcing and supplier management decisions (Zheng *et al.*, 2007).

Traditional procurement procedures involve fixed price competitive tendering, in which the client first specifies the product as thoroughly as possible (i.e. fixed design) and then evaluates a large number of bids, focusing on lowest fixed bid price (Korczynski 1996, Kadefors 2005). In traditional procurement routes the division of work often leads to detached business relationships, since the procurement process is managed by work being divided into distinct packages that are allocated to different specialist actors to be completed individually (Barlow 2000). The traditional method of dividing work in procurement can lead to what has been termed ‘functional fragmentation’ among different procurement disciplines.

For simple products involving low uncertainty, such market based procurement procedures are suitable for decreasing costs and passing on risk (Korczynski 1996). However, the procurement industry has changed from a simple and static environment to a complex and dynamic one (Gidado 1996), making traditional procurement procedures obsolete and inappropriate (Naoum 2003). Due to increased complexity and uncertainty, a high focus on cooperation is more important than competition (Olsen *et al.* 2005). These transaction characteristics require relation-specific investments, knowledge sharing, flexibility and integration, which are facilitated in long-term cooperative relationships (Pietroforte 1997, Rahman and Kumaraswamy 2002). Since traditional procurement procedures and contracts offer little incentive for cooperation to emerge, they are potential root causes of the lack of trust and cooperation that characterises client-contractor relationships (Cheung *et al.* 2003). Hence, procurement is a key improvement area (Latham 1994, Egan 1998) and a key factor contributing to project success (Cheung *et al.* 2001).

In recent years increasing interest in cooperative relationships, such as partnering, has been noticeable in the construction industry as a result of escalating conflicts and adversarial relationships in many countries (Bresnen and Marshall 2000, Ng *et al.* 2002, Chan *et al.* 2003). Rwandese procurement procedures and contractual arrangements have much in common with those in other countries (e.g. UK and US), but disputes are seldom resolved in courts or by third parties (Kadefors 2004). Instead the parties handle most conflicts themselves at a low organisational level. Hence, the relationships among the procurement actors have not been as adversarial in Rwanda as in many other countries (Kadefors 2004). The purpose of this study therefore will be to investigate how government procurement procedures affect the project success in Rwanda.

Statement of the Problem

Procurement procedure is the government activity most vulnerable to corruption. Lack of transparency and accountability are recognized as a major threat to integrity in procurement (OECD, 2007a). In addition, several developments further complicate purchasing decision-making. Globalization of trade and the internet enlarge a purchaser's choice set. Changing customer preferences require a broader and faster supplier selection. Public procurement regulations demand more transparency in decision-making. New organizational forms lead to the involvement of more decision makers. These developments strongly urge for a more systematic and transparent approach to purchasing decision-making, especially the area of supplier selection (De Boer et al. 2001). This will ensure that government projects succeed. The study sets out to investigate the effect of the procurement procedures on the success of government project with a view of reforming the procurement process.

Purpose of the Study

1. To test the hypothesis of no significant relationship between procurement procedures and project success of Government institutions in Rwanda
2. To validate existing information related to the theory to which the study was based
3. To generate new information based on the findings of the study
4. To bridge the gap noted in the previous study.

Research Objectives

General Objective

The general objective of the study was to find out the relationship between procurement procedures and government projects success in Rwandan Government.

Specific objectives were:

1. To determine the profile of the respondents in terms of
 - a. age
 - b. sex
 - c. qualification
 - d. position or title
 - e. working experience
2. To determine the extent of the procurement procedures in government institutions
3. To determine the level of project success in government institutions
4. To determine the significant relationship between procurement procedures and the success of projects

Research Questions

1. What is the profile of respondents as to age, sex, qualification, position, and work experience in the government institutions of Rwanda?
2. What is the extent of the procurement procedures in government institutions?
3. What is the level of project success in government institutions?
4. What is the relationship between procurement procedures and the success of projects.

Hypothesis

1. There is no significant relationship between procurement procedures and project success of government institutions in Rwanda

Scope

Geographical scope

The study was carried out in the selected government institutions including Ministries of Finance, Infrastructure, Agriculture, Health, Education and Local Government in Kigali and in the districts, Rwanda. It took place in the procuring entities of the selected ministries.

Content scope

The study investigated the extent of ensuring proper procurement procedures on the project success in Rwanda. The study was limited to the objectives of the study because of time constraints. The variables considered in the study were procurement planning, procurement implementation stages and tactical procurement decision making.

Theoretical Scope

This study was based on the Agency Theory. According to Jensen and Meckling (1976, p. 308), an agency relationship is "a contract under which one or more persons (principals) engages another person (the agent) to perform some services on their behalf which involves delegating some decision-making authority to the agent."

Time scope

The timeline to conduct the study was five months from April – September, 2012. The activities carried out during this period included: distribution of research questionnaires, collection of data from field and analysis, report writing and presentation of the thesis to KIU for approval.

Significance of the Study

This study may benefit the following disciplines:

Policy makers

The study is of importance because it may help policy makers to put in place the right policies for procurement reforms.

Government

It may also help the Government understand the different problems procuring entities face while carrying out their duties.

Procurement regulator (RPPA)

It may help to build knowledge in the field of procurement to be used for further studies in the same field.

Scholars

The study may also help scholars in the field of procurement to pursue further studies.

Operational Definitions of Key Terms

The following terms have been defined in the context of this research;

Procurement: refers to the acquisition of goods or services. It is favorable that the goods/services are appropriate and that they are procured at the best possible cost to meet the needs of the purchaser in terms of quality and quantity, time, and location.

Project: refers to a collaborative enterprise, frequently involving research or design, that is carefully planned to achieve a particular aim.

Success: refers to the completion of the project in an effective and efficient manner.

Government: refers to the legislators, administrators, and arbitrators in the administrative bureaucracy who control a state at a given time, and to the system of government by which they are organized.

Institution: refers to any structure or mechanism of social order and cooperation governing the behavior of a set of individuals within a given human community.

Procedures: refers to fixed, step-by-step sequence of activities or course of action (with definite start and end points) that must be followed in the same order to correctly perform a specific task.

CHAPTER TWO

REVIEW OF RELATED LITTERATURE

Concepts, Opinions, Ideas from Authors/ Experts

Procurement procedures

Every organization that purchases goods or services has standard procurement procedures and methods they use to acquire those things. Procurement procedures cover all aspects of the procurement cycle, including the preparation of a procurement plan, the advertisement/invitation for bids of procurement opportunities, the evaluation of bids and proposals, the tender awarding for works construction, the supply of goods and selection of consultants, contract negotiations and its signature, contract management and payment for good and equipments supplied or services provided. All firms have procurement procedures, and they are used to control spending activities, ensure appropriate approvals are in place and reduce the risk of overpayment. Procurement or purchasing activity encompasses all spending activity, excluding payroll, and often represents more than 50 percent of all expenditures (Ehlermann-Cache 2005).

Constraints of procurement procedures

The procurement process is very complex and involves many steps to accomplish the whole cycle. In order for procuring entities to succeed, staff involved in the whole process starting with the procurement staff, the tender committee members and the budget managers need to acquire enough skills in procurement procedures to be able to handle procurement operations effectively. The big challenge is that only procurement staff is trained in procurement skills, others don't consider it relevant as they have their primary responsibility.

Procurement

Public procurement is the purchase of goods and services by governments and state-owned enterprises. It encompasses a sequence of related activities starting with the assessment of needs through award to the contract management and final payment (OECD 2007). Countries generally aim at achieving a number of goals through public procurement. Clearly, a primary goal is to obtain goods and services at the best possible price. Further objectives include *inter alia*, efficiency and probity in the procurement process and fair and equal treatment of providers. Other primary goals may be to support industrial, social and environmental policies, to name a few (Ehlermann-Cache 2005).

Project success

According to Crawford (2002) project success is an important project management issue, it is one of the most frequently discussed topics and there is a lack of agreement concerning the criteria by which success is judged (Pinto and Slevin 1988; Freeman and Beale 1992; Shenhar, Levy, and Dvir 1997; Baccarini 1999). A review of the literature further reveals that there is, in fact, a high level of agreement with the definition provided by Baker, Murphy, and Fisher (1988), that project success is a matter of perception and that a project will be most likely to be perceived to be an "overall success" if the project meets the technical performance specifications and/or mission to be performed, and if there is a high level of satisfaction concerning the project outcome among key people on the project team, and key users or clientele of the project effort. There is also a general agreement that although schedule and budget performance alone are considered inadequate as measures of project success, they are still important components of the overall construct. Quality is intertwined with issues of technical performance, specifications, and achievement of functional objectives and it is achievement against these criteria that will be most subject to variation in perception by multiple project stakeholders.

Theoretical Perspectives

Agency Theory

According to Jensen and Meckling (1976, p. 308), an agency relationship is “a contract under which one or more persons (principals) engages another person (the agent) to perform some services on their behalf which involves delegating some decision-making authority to the agent.” When executing the tasks within the principal-agent relationship, the agent must choose actions that have consequences for both the principal and the agent. Since these outcomes can be either negative or positive for each of the actors, the chosen action of the agent affects the welfare of both. The principal-agent relationship is often forged because the agent possesses a greater abundance of the needed skills, abilities, and/or time to perform the desired activities. Inevitably, however, there are several problems for the principal in governing the relationship with the agent, the first of which involves choosing an appropriate agent.

Consistent with the tenets of agency theory, the view adopted here assumes that agents, procurement officers, are rational, self-interested utility maximizers. However, it is not assumed that these agents behave selfishly and do so with guile. In other words, slightly contrary to Williamson’s (1985) transaction cost economics framework, although it is assumed that people are opportunistic in the sense that they may shirk in a self-interested manner by trying to minimize effort if it fulfills their needs, it is not assumed that they will willingly misrepresent or lie about that effort. In addition, it is merely assumed that the principal and agent do not share the same levels of information, and as such, the agent can opportunistically take advantage of the situation, sometimes to the detriment of the principal. This latter situation is known as moral hazard and is often the result of asymmetric information. A simple principal-agent theory of cooperative public procurement is a powerful tool to view cooperative procurement arrangements because it can be used to study purchasing process outcomes, stakeholder’s behavior, information dissemination, decision-making,

and accountability in cooperative arrangements. According to the underlying theory of the models, the principal is a stakeholder that retains a person or organization to undertake a specific task and serve a particular functional role within cooperative public purchasing. In turn, the person or organization delegated to manage these responsibilities on behalf of the principal is the agent.

Although operationally, practitioners and theoreticians are most interested in the mechanism by which goods and services are purchased and the relationship of the affiliates (PCAs) to one another, there may be other considerations. For example, they might also want to know about how title passes from supplier to purchaser, the scope of purchases by the cooperative agreement (i.e., single-purpose or multi-purpose), the determination of the sharing of expenses, contracting issues such as the procedures for negotiating purchases, and questions about ownership of the cooperative (if there is ownership). However, for the sake of parsimony, two cooperative purchasing dimensions which appear to be basic elements of all cooperatives are discussed herein, and they are the mechanism of purchasing the actual goods and services, and the relationship of the affiliates (PCAs) to each other. If the mechanism of purchasing is located in an organ external of the cooperative itself, is it for-profit or non-profit?

The theory further suggests that whether or not these entities are of the same government (e.g., agencies within the same government) or represent different governments, the figure leaves open the potential that government entities may or may not have similar goals. Consequently, the agency relationships modeled here suggest that governments, if not outright competitive, could be at cross-purposes so that there may be times when cooperative public purchasing is not mutually advantageous. An example is when the U.S. General Services Administration (GSA) will restrict the availability of goods and services from the supply schedule if, when left open to be used by other entities, the use of the schedule results in lower supply or higher prices for

the U.S. government. In other words, if the federal government is adversely affected by other entities procuring material through its supply schedule, the available supply schedule will be shrunk by the federal government to capture the savings under the schedule. In summary, for any purchasing decision, the multiple layers of principals and agents make organizational responsiveness and maintaining transparency difficult.

Related Studies

Procurement procedures

Over the past few years, developing countries have been awakened on the importance of effective management of the public procurement process at both central and local government levels, and its subsequent contribution to improved governance of the public sector. Procurement, a function that was traditionally viewed as a clerical and reactive task has since positioned itself among core organizational functions, and its management is becoming increasingly critical for the well functioning of any organization. Procurement is becoming important at the local level, in parallel with decentralization and the increasing range of functions performed by local governments in most countries (Schiavo-Campo & Sundaram, 2000). Poor governance has been one of the major stumbling blocks to the economic development of Africa and it has been clear that a number of African countries have not paid adequate attention to the proper management of public resources. An efficient public procurement system is vital to the advancement of African countries and is a concrete expression of the national commitment to making the best possible use of public resources (Kabaj, 2003). The influence of new public management (NPM) philosophies in the functioning of the public sector has been embraced procedurally by government institutions in a number of African Countries.

Currently in Rwanda, there is a growing interest in the management of public procurement. Its management now appears on the agenda of researchers, academics, policy makers and practicing managers and this could be a function of many factors. *Firstly* the money on the acquisition processes of government at both central and local levels is unquestionably high. Procurement is now one of the top items that consume public money Wittig (1999, p.8) asserted that it has been estimated that between US\$30 to US\$ 43 billion could be available in the procurement market place in Africa and by 2005, it was estimated that in developing countries, procurement was accounted for a total expenditure of 70% in Rwanda (Development Assistance Committee, p.18). *Secondly*, the perceived benefits of an effective procurement management regime, given that public procurement contributes to the broader social-economic goals of a country (Thai, 2004). The public is particularly sensitive to the fact that a good public procurement system results in more goods and services that directly meets the needs of the end users and they are obtained for less money and with speedier delivery (Arrowsmith and Trybus, 2003). *Thirdly*, increasingly government institutions are requiring doing more with less. They have been forced to operate under budget cuts and have been advised to look at cost cutting areas and procurement has emerged as a possible candidate. *Fourthly*, the expectations from the development partners and masses for accountability of public resources have generated interest in the field of procurement among various stakeholders. *Fifthly* is the influence of world-class management philosophies and the adoption of the information technology where the use of the internet and computers have increasingly made customers aware of the cheapest sources of products, necessitating organizations to rethink on how to satisfy their growing demands. In the attempt, many have looked at procurement as having a potential to meet this challenging task.

The management of public procurement process is one of the functions that have probably a wider implication in ensuring good governance because all government institutions charged with providing services are dependent on this process. Reforming and strengthening systems of public procurement must be given a high priority in the efforts to improve systems of governance in the African Countries (Kabaj,2003).The inefficient use of funds can be generated from problems across the entire procurement process-from the definition of the needs and creation of the bidding documents, to a lack of transparency and competition in the process followed for announcements, bidding, evaluation and award of contracts, to poor contract supervision (Harmonizing Donor Practices for Effective Aid Delivery, 1999). However, the negative effects of poor procurement planning are obvious since the success of the subsequent procurement processes depend heavily on how planning is done. This is a task that is increasingly critical amidst declining local government budgets and expectations to do more with less, on local governance in Rwanda. There cannot be a good procurement budget without a plan, and there can be no procurement without a budget to fund it. Planning is a process that consists of many steps and the bottom line is that planning is not concerned with future decisions but rather with the future effect of decisions made today (Thai, 2004).

Procurement planning

Procurement planning is the primary function that sets the stage for subsequent procurement activities. It 'fuels and then ignites' the engine of the procurement process. A mistake in procurement planning therefore has wide implications for local governance, measured from the two indicators of accountability and participation. Procurement Planning is a legal requirement in all procuring entities including at local government entities (i.e. districts) in Rwanda. Section 34 (2) of the National Procurement Law require the User Department to prepare a work plan for procurement based on the approved budget and submit it to the Budget Manager for orderly execution and Section 31

(f) require a Procurement Unit to plan the procurement activities of the procuring entity on annual basis. In most cases, people do assume that planning procurement is a one time event. But it is not. In fact, it is a function much longer and complex to understand since it has many implications such as on the budget.

The ideals of planning suggest that development and public infrastructure can be implemented in an atmosphere of complete harmony and that environmental, social and economic disruptions can be minimized and this assumes that there is full knowledge of the social, economic, political and physical systems within which such development is operating (James, 2004). In a developed or developing country, public procurement practitioners have and will face many challenges but each country has its own economic, social, cultural and political environment; and each country's public procurement practitioners face different types of challenges(Thai,2001).

Governed by a complex set of laws and regulations, local government procurement systems are designed to achieve three goals :(1) ensuring the best price;(2) providing open and fair competition among local vendors; and preventing favoritism and corruption (Duncombe & Searcy,2007). In Rwanda, procurement is a fundamental function that effects on effective or 'ineffective' service delivery. There is no part of local government service delivery that does not depend on procurement of goods, services and works; and yet the area remains a neglected field of research. Procurement in local government in Rwanda has not been corruption-free.

Public procurement, at the local government level, is believed to be one of the principle areas where corruption in Rwanda takes place (National Public Procurement Integrity Baseline Survey, 2006). Corruption is disastrous to the well functioning of any government department. Corruption has been an intractable problem in many developing countries; especially where it has

become systematic to the point where many in government have a stake. It diverts decision-making and the provision of services from those who need them to those who can afford them (Langseth, Kato, Kisubi & Pope, 1997).

Procurement must take a thoroughly professional view of its role in business as a whole and that must include planning (Jessop & Jones, 1998). Any such procurement begins with the planning decision to make the purchase and this will involve in the first place, deciding whether there is a need for the particular goods or services, ensuring that the purchaser has the legal powers to undertake the transaction, obtaining any relevant approvals within the government hierarchy and arranging the necessary funding (Arrowsmith, Linarelli & Wallace, 2000). But it is again not surprising that many procurement entities at both the central and local government levels have not taken planning a serious activity. The reasons for lack of procurement planning by such entities have been the actual lack of understanding of the value of procurement, proper enforcement of rules relating to planning (World Bank, CPAR Report, 2004). It could also be related to lack of capacity due to limited procurement professionals and lack of commitment and support from management of those organizations. In fact, Thai, (2004), maintained that forms and procedures may be convenient and useful tools, but the planning effort will succeed only with the complete commitment and involvement of top management, along with appropriate personnel that have a stake. This implies that, without thorough procurement planning, the subsequent procurement processes will not yield substantial benefits. The consequences of poor or lack of procurement planning can never therefore be amusing.

The World Bank Country Procurement Assessment Report, (2004 p.42) summarized these consequences as; 1) procurement failing to timely meet the actual needs of user institutions, 2) advantages of scale and bulk purchasing are not achieved, 3) packaging and timing are not utilized to achieve value for money.

The importance of procurement reform in almost all country's settings can be demonstrated based on its scale and role in terms of service delivery, the amount of money wasted by existing practices, reduced competition, higher prices due to market perceptions of risk, as well as the demonstrated ability of countries to capture enormous savings through concerted efforts to strengthen their procurement function (Harmonizing Donor Practices for Effective Aid Delivery, 1999).

Challenges faced in procurement in local governments

Public procurement has generated public interest and has been subjected to reforms, restructuring, rules and regulations by putting in place the Rwanda Public Procurement Authority (RPPA) and the National Procurement Law (2007). These changes have largely been triggered by shrinking budgets, the need to fight corruption as well as the realization that a well organized procurement system contributes to good governance by increasing confidence that public funds are well spent (Walker 2003; Hunja 2003 in Arrowsmith, Trybus Eds. 2003). Hence, public procurement ought to be conducted with integrity i.e. in a fair, transparent and credible manner. Indeed, public procurement aims remain an area of high public interest.

Transparency International (2006) expands the definition of integrity. It means that procurement processes are honest and in compliance with the respective laws, that the best available, most suitable technical expertise is employed in a non-discriminatory manner, that fair and open competition leads to quality product at a fair price (value for money) and that the product takes into account the legitimate aspirations and concerns of all stakeholders.

Worall, et al (1998), assert that, local authorities are very complex organizations which exist in a highly turbulent environment.

They are expected to anticipate needs, to identify and react to complex social, demographic, economic and environmental problems, to respond to changing customer expectations, to respond to the wishes of citizens and to deploy effectively and efficiently scarce resources under the gaze of increasingly attentive and critical citizenry.

It is against the backdrop above that the decentralization programme in Rwanda is one of among several public sector reforms whose goal is to consolidate democratic governance, and to enhance public service performance. Many practitioners and researchers have contended that purchasing authority, especially in government, must be decentralized in order to provide more responsive support to end users, eliminate bureaucratic obstacles to programme accomplishments, improve inter-departmental coordination, and empower service delivery managers to procure what they need without impediment by a centralized organization (Thai 2001).

The extend of procurement procedures on project success

Eriksson and Nilsson (2008) have developed a systemic and holistic frame of reference regarding the clients' choices during all the stages of the buying process. In their study, different alternatives are treated as independent variables concerning procurement related success factors. Traditionally, relationships are, however, very competitive and adversarial in the construction industry (Cheung *et al.*, 2003), which to a large extent is due to the customary procurement procedures potentially causing many problems in all stages of the buying process. Therefore, in order to take advantage of collaboration, procurement procedures are one key improvement area and can contribute substantially to project success (Eriksson, 2007).

A change of procurement procedures is, however, impeded by clients' habitual behaviour (Laedre *et al.*, 2006). Although procurement procedures need to be tailored to enhance the fulfilment of different project objectives (Cox and Thompson, 1997), clients tend to choose those procurement procedures they have a habit of using, regardless of any differences between projects (Laedre *et al.*, 2006). In order to enhance change, an increased understanding of how different procurement procedures affect different aspects of project performance is vital. Earlier research efforts in this area have been limited to the investigation of how a single or a few specific procurement alternatives affect one or two project objectives.

In order to achieve successful governance of construction projects, a holistic and systemic approach to procurement procedures is crucial (Eriksson and Pesämaa, 2007).

Public procurement is the purchase of goods and services by government institutions and projects, and state-owned enterprises. It encompasses a sequence of related activities starting with the assessment of needs through award to the contract management and final payment (OECD 2007). Countries generally aim at achieving a number of goals through public procurement. Clearly, a primary goal is to obtain goods and services at the best possible price. Further objectives include *inter alia*, efficiency and probity in the procurement process and fair and equal treatment of providers. Other primary goals may be to support industrial, social and environmental policies, to name a few (Ehlermann-Cache 2005).

Procurement in general and public procurement in particular is faced with fundamental evolution challenges. Telgen *et.al.* (2005) summarize the evolution of the purchasing function shift from analysis of several models as follows: First there is the shift from operational to strategic purchasing. Purchasing used to be about placing orders and making sure deliveries were made in time and at

the right place. Purchasing nowadays is about maximizing the value that purchasing can add to the organization as a whole. Further, the shift from a departmental approach to a functional approach started once organizations realized that purchasing is a joint effort for which success largely depends on the cooperation of all parties involved. The purchasing department that does all the ordering for the entire organization is disappearing and is being replaced by a less strict-defined purchasing function with purchasing officers that move around in the organization, focusing their attention there where their added value will be greatest.

In addition, the area of purchasing has shifted from purely internal to external as well. The purchasing department used to be an operational unit serving internal clients and is changing to a much more flexible function that looks outside its own organization to find out how it can best serve its internal customers. With developing into a more strategic and externally focused function, purchasing is also changing the kind of relationship that organizations enter into with their suppliers. Suppliers' processes and organization's own internal processes get more integrated to achieve higher levels of efficiency, complete tasks are being contracted and even entire functions are being outsourced, resulting in hardly separable processes.

CHAPTER THREE

METHODOLOGY

Research Design

The study used descriptive correlation research design to determine the relationship between variables and a descriptive comparative design to determine significant differences between profile variables

Research Population

The target population of the study was 168 respondents which included officials in selected government institutions including project/district managers/representatives of project implementing agencies, procurement officers, internal auditors and members of internal tender committee. The selected institutions included the Ministries of Finance and economic planning, Infrastructure, Agriculture, Health, Education and Local Government. Respondents were mostly procurement officers/specialists, RPPA Staff and internal tender committees members in selected institutions as they play a key role in the daily procurement operations.

Sample Size

The sample size was determined using Solven's formula:

$$n = N / 1 + N (0.05)^2$$

Where n = sample size

N = Size of population

$$n = 168 / 1 + 168 (0.05)^2$$

$$n = 118$$

Table 1: Respondents of the Study

Ministry and its institutions	Total Target Population	Sample size
	Individuals	Individuals
Finances	29	23
Infrastructure	28	22
Agriculture	26	20
Health	20	10
Education	30	18
Local Government	35	25
Total	168	118

Source: Primary data, 2012

Sampling Procedure

The research employed simple random sampling. In this technique, each member of the population has an equal chance of being selected as subject. The entire process of sampling is done in a single step with each subject selected independently of the other members of the population. Thus, from the list of qualified respondents, the systematic random sampling has been used to finally select the respondents.

Research Instrument

A questionnaire related to the effect of procurement procedures on project success was the main data collection instrument. The questionnaire was a Likert Scale type with the following options: 1- Strongly Agree, 2 - Agree, 3- Disagree, 4-Strongly Disagree for the respondents to insert in the box provided the most appropriate option that suit their opinion.

In addition to data corrected from questionnaires, interview with some respondents especially the heads of procurement departments was conducted to complete quantity collected data with quality one. Information was also gathered from published and unpublished documents like books, reports and other reviews.

Validity and Reliability of the Instrument

To ensure the validity and reliability of the instrument, the research employed the expert judgment method. After elaborating the questionnaire, the researcher contacted experts in the study area to go through it to ensure that it measured what it was designed to measure and necessary adjustments were made after consultation and this ensured that the instrument was clear, relevant, specific and logically arranged. Secondly, a pre-test was conducted in order to test and improve on the reliability of the questionnaire. Content Validity Index (CVI) of 0.776 was obtained using the formula:

$$CVI = \frac{\text{the number of relevant questions}}{\text{The total number of questions}}$$

Reliability of the instrument was tested using the Cronbach’s coefficient alpha (a). The results in the table below show the validity and reliability values of the variables that the researcher set out to study.

Reliability and validity of the instrument

Variables	Anchor	Cronbach Alpha	Content Validity Index
Procurement procedures	5 Point	0.630	0.783
Project success	5 Point	0.782	0.769

The Reliability and Validity results in the table showed that the instrument was both reliable and valid since the variable coefficients were above 0.6 in both cases.

Data Gathering Procedures

Before the administration of the questionnaires

1. An introduction was obtained from the School of Post Graduate Studies and Research for the researcher to solicit approval to conduct the study from respective respondents in selected institutions
2. When approved, the researcher secured a list of qualified respondents from the institutions' authorities in charge and select through systematic random sampling from this list to arrive at the minimum sample size of 118.
3. The respondents were explained about the study and were be requested to sign the informed consent form (Appendix II)
4. The researcher reproduced more than enough questionnaires for distribution
5. Research assistants were selected to assist in the data collection

During the administration of the questionnaires

1. The respondents were requested to answer carefully the questionnaire and to leave every question of the questionnaires for which they were in doubt on their position
2. The researcher emphasized on the retrieval of the questionnaires within five days from the date of distribution.
3. On retrieval, all returned questionnaires were checked if all were answered.

After the administration of the questionnaires

The data was collected, encoded into the computer and statistically treated using the Statistical Package for Social Sciences (SPSS).

Data Analysis and interpretation

The frequency and percentage distribution were used to determine the demographic characteristics of the respondents.

The following mean range was used to arrive at the mean of the individual indicators and interpretation:

Mean Range	Response Mode	Interpretation
3.26 – 4.00	Strongly Agree	Very High
2.51 – 3.25	Agree	High
1.76 – 2.50	Disagree	Low
1.00 – 1.75	Strongly Disagree	Very Low

A multiple correlation coefficient to test the hypothesis on correlation (Ho) at 0.05 level of significance using a Pearson correlation coefficient; the regression analysis R² (coefficient of determination) was computed to determine the influence of the independent variable on the dependent variable.

Ethical Considerations

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

1. The respondents from the involved institutions were coded instead of reflecting their names.
2. Permission was solicited through a written request to the concerned officials of the institutions included in the study.
3. Respondents were requested to sign in the informed consent form
4. Findings of the research were presented in a generalized manner.

Limitation of the study

In the course of carrying out this study, the researcher was expected to encounter some challenges.

1. Extraneous variables which were beyond the researcher's control such as respondents' honesty, personal.
2. Unavailability of sufficient finance and inability to access the required materials for the completion of the work.
3. Testing: the use of research assistants could bring about inconsistency in the administration of the questionnaires in terms of time administration, understanding of the items in the questionnaires and explanations given to respondents.

To minimize this threat, the research assistants were oriented and briefed on the procedures to be done in data collection.

4. Attrition/Mortality: Not all questionnaires may be returned neither completely answered nor even retrieved back due to circumstances on the part of the respondents such as travels, sickness, hospitalization and refusal/withdrawal to participate. In anticipation to this, the researcher reserved more respondents by exceeding the minimum sample size. The respondents were also reminded not to leave any item in the questionnaires unanswered and was closely followed up as to the date of retrieval.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

Profile of respondents

Respondents in this study were described in terms of gender, age, educational background, qualification and experience within their institutions.

Table 2: Demographic Characteristics of the Respondents

Category	Frequency	Percentage
Qualification		
Diploma	30	25.7
Degree	72	62.7
Postgraduate	16	11.6
Total	118	100.0
Age		
Below 25	25	21.2
Between 25 and 35	60	50.8
35 and above	33	28.0
Total	118	100.0
Sex		
Male	62	52.5
Female	56	47.5
Total	118	100.0
Experience		
0 up to 5	41	34.7
5 but below 10	46	39.0
10 and above	31	26.3
Total	118	100.0

Source: Primary data, 2012

Table 2 shows that respondents with degrees 72(62.7) had the biggest representation. Few of the respondents were post graduates 14(11.9). Cumulatively most of the respondents were degree and diploma holders.

Respondents in the age brackets (>25 but below 35) contributed below 60(50.8%). Few of the respondents were in the age group 25 and below. Cumulatively over 72% of the respondents were 35 years and below suggesting that majority of the respondents were below retirement age. This age bracket is the most active yet it has enough experience to handle projects successfully as required.

Most of the respondents 62(52.5%) were male compared to female respondents 56(47.5%). This suggests that there are more male government officials in Government departments than female ones. This implied that males were keen in the quest for more practices that would enhance better job performance.

Most of the respondents had experience of 5 but below 10 years 46(39%). Few of the respondents had experience 10 and above years 31(26.3%). Cumulatively, most the respondents had experience 10 years and below suggesting that the officials should have enough experience to do their jobs efficiently.

Determine the extent of the procurement procedures in selected government institutions

The dependent variable in this study was conceptualized using questions which were quantitative about the extent of the procurement procedures in government institutions. Respondents were asked to do self-rating on extent of the procurement procedures. Rating was based on Likert Scale as follows:

SD = Strongly Disagree, D= Disagree, A = Agree, SA = Strongly Agree

Mean range	Response mode	Interpretation
3.26-4.00	Strongly agree	Very High
2.51-3.25	Agree	High
1.76-2.50	Disagree	Low
1.00-1.75	Strongly Disagree	Very Low

Table 3: Extent of procurement procedures in selected government institutions

Extend of procurement procedures	Mean	Interpretation	Rank
Procurement officers ought to have certified professional training	2.58	High	1
Procurement entity managers should have awareness workshops on strategic procurement, ethics, rules and regulations	2.58	High	2
The Procurement Units should have an ICT database on all procurement; suppliers records and be accessible to members of the evaluation committee and other stakeholders	2.44	Low	3

There should be mandatory induction training on procurement for all public officers prior to joining the institutions	2.39	Low	3
The Procurement Units should have and make accessible up-to date relevant information to the head of departments to enable the identification of selection criteria	2.36	Low	5
National independent panel handling bidder's complaints should be effective	2.36	Low	6
Internal auditors must be trained in the conduct of a procurement audit and risk analysis	2.36	Low	7
Institutions should design regulations for mandatory induction training on procurement for all new staff	2.36	Low	8
Budget managers should counter check the steps undertaken by the evaluation committee before signing the contract	2.31	Low	9
The procurement plan should be prepared and advertized at the beginning of each fiscal year	2.30	Low	10
Provisions should be made for the debriefing of suppliers whose bids fail at the pre-qualification stage	2.30	Low	11
Budget managers and technical officers should have knowledge on the national procurement law and international standard procurement procedures	2.30	Low	12
Rwanda Public Procurement Authority (RPPA) should conduct a review of the procurement performance in all public institutions on regular basis	2.26	Low	13
Procurement plans should be based on institutional annual budgets	2.26	Low	14
Procurement officers must have on-going	2.26	Low	15

workshops to tackle emerging issues in procurement			
All specifications of goods, works and services to be purchased should be well founded e.g. based on market research	2.26	Low	16
All officers in the institutions must have knowledge of the procurement rules and regulations, ethics and risks to its integrity	2.26	Low	17
Provisions of awarded contracts should be respected by both parties and scheduled sanctions and penalties applies accordingly	2.14	Low	18
It should be an employment requirement for all budget managers and procurement staff to declare their assets/wealth to the ombudsman office	2.14	Low	19
Internal tender committee members should be trained in procurement procedures	2.11	Low	20
Procurement procedures from various donors and national procurement system should be harmonized	2.05	Low	21
How would you rank the implementation of the measures suggested above to ensure compliance to international standard practices, rules and regulations and the national procurement law	2.05	Low	22
All the general procurement notices should be advertized before invitation for bids	2.05	Low	23
All stakeholders' procurement roles in the institutions should be demarcated	2.05	Low	24
Internal tender committee should be appointed for a fixed term period on rotational basis	1.53	Very Low	25
Average mean	2,139	Low	

Source: Primary data, 2012

Table 3 shows that respondents disagreed highly on item “the procurement plan should be prepared and advertized at the beginning of each fiscal year” 85(72%) compared to 33(28%) who agreed. They however agreed most with item two (All specifications of goods, works and services to be purchased should be well founded e.g. based on market research 55(46.6%). This shows that government procurement staff disagreed with the extent of the procurement procedures which suggests that the procurement procedures in government institutions are not effective enough.

The above finding agrees with the mean values for all items were all ranging in two with the highest mean (2.58) and (1.53) as the lowest mean value. This suggests that procurement procedures in Government departments were not followed. Based on the rating provided by respondents, it is very clear that there is lack of capacity as well as lack of knowledge on procurement procedures to be applied in government institutions. The results indicated also that the level of dissemination of national procurement regulations is low which require Government commitment and RPPA involvement.

Determine the level of project success in selected government institutions

The independent variable in this study was conceptualized using questions which were quantitative about the level of project success in government institutions. Respondents were asked to do self- rating on the level of project success in government institutions. Rating was based on Likert Scale as follows:

SD = Strongly Disagree, D= Disagree, A = Agree, SA = Strongly Agree

Mean range	Response mode	Interpretation
3.26-4.00	Strongly agree	Very High
2.51-3.25	Agree	High
1.76-2.50	Disagree	Low
1.00-1.75	Strongly Disagree	Very Low

Table 4: Level of project success in selected government institutions

Level of project success in Government institutions	Mean	Interpretation	Rank
Clear project implementation manual with clear role of every actor and partner	2.46	Low	1
Project manager's goal commitment	2.46	Low	2
Safety precautions and applied procedure	2.46	Low	3
Project manager capability and experience	2.35	Low	4
Use of appropriate procurement procedures	2.05	Low	5
Use of control system	2.05	Low	6
Clarity of the project scope and definition	2.02	Low	7
Project staff experience and commitment	2.02	Low	8
Good monitoring and evaluation system	1.53	Very low	9
Organization planning	1.53	Very low	10
Average mean	2.055	Low	

Source: Primary data, 2012

Table 4 showed that respondents did not agree that for the most part, that the level of project success in government institutions was good 107(90.7) compared to 11(9.3) who agreed. On item two respondents strongly disagreed that there is Organization planning 94(79.7%) compared to 24(20.3%) who agreed that there is Organization planning. On item three respondents disagreed that there was 84(71.2%) compared to 34(28.8%) who agreed. Respondents on item four disagreed that there was clarity of the project scope and definition 94(79.6%) compared to 24(20.3%) who agreed. Item five disagreed that there was Project manager capability and experience 63(56%) compared to 53(44.1%) who agreed. Finally respondents disagreed most that safety precautions and applied procedures were applied 62(48.3%) compared to 56(47.4%) who agreed.

The above results agree with mean values for all means were ranging in two with highest rating on item "Project manager's goal commitment mean 2.46 and lowest rating was on item three Project manager's motivation and goal orientation mean=1.53". This suggests that respondents were not in agreement with the level of project success in government institutions. The findings made it clear that there is a serious issue of planning of government institutions, but also monitoring and control systems are lacking. The findings indicated that not only the project manager's capacity is limited but also their motivation is low. These have a negative impact on the implementation of the projects and may affect their success.

Relationship between procurement procedures and the success of projects

Table 5: Pearson's Correlation Co-efficient between procurement procedures and the success of projects

Correlation	R-value	Sig	Interpretation	Decision
Procurement procedures Vs Success of projects	0.672	0.000	Significant correlation	Rejected

Correlation is significant at 0.005 levels.

Table 5 shows Pearson's correlation co-efficient for procurement procedures and the success of projects $r = 0.672$ and positive, having a significant ($P = 0.000$) which is less than 0.005. This suggests a high positive correlation between procurement procedures and the success of projects. This means that the hypothesis that there was no relationship between procurement procedures and project success is rejected. In Rwanda, the major part of government's budget is consumed through procurement operations for public expenditures i.e. construction of schools, hospitals, roads, purchase of IT equipment, recruitment of consultants, etc. The budget that includes national budget and credits and/or grants from donors is executed by government institutions. In order for the government to get the "value for money", clear and transparent procurement procedures should be applied and, appropriate control mechanisms should be put in place for a smooth monitoring and rationale management of public funds. Sustainable capacity building of staff involved in the project management is required.

Table 6: Regression Analysis

Variables regressed	R ²	F	Sig	Interpretation	Decision on null hypothesis
Procurement procedures Vs Project success	0.451584	1.135	0.000	Significant effect	Rejected

The regressed results in the table 6 show that 45% ($R^2=0.451584$) of the dependent variable is explained by the independent variable. This means that procurement procedures have a significant impact on project success.

CHAPTER FIVE

FINDINGS, CONCLUSION AND RECOMMENDATIONS

Summary of the findings

The researcher discussed the findings of the study in guidance with the research objectives. The study achieved its specific objectives that were (i) the establishment of respondent's profile, (ii) the extent of procurement procedures in selected government institutions, (iii) the level of project success in selected government institutions, and (iv) the relationship between procurement procedures and project success.

Regarding the first objective, the results indicated that respondents with degree (62.7%) have the biggest representation; over 72% of respondents were aged between 35 and below. Most of the respondents (52.5%) were male while women represented 47.5%. 39 % of respondents had experience of 5 but below 10 years, and 26.3% had working experience of 10 years and above.

In relation with the second objective, the results indicated that the procurement procedures in selected government institutions were not properly followed. Majority of respondents provided a low rating expressed by the average mean of 2.29. The lack of capacity to handle procurement operations using appropriate procedures is more visible at decentralized level, where the procurement function is new compared to the central government.

Concerning the third objective, the findings revealed that project success in selected government institutions is low mainly due to the lack of appropriate planning and inadequate project management skills. The average mean of 2.06 expressed the low level of project success of selected government institutions.

With respect to the fourth objective, the research found out that there is a positive relationship between procurement procedures and the success of projects. The correlation analysis showed that there is a correlation between the dependent and independent variables with a significance value of $0.000 < 0.005$ which is the significance level. Thus, the null hypothesis stating that there is no relationship between procurement procedures and project success has been rejected.

This finding is in line with Kabaj (2003) who indicated that an "Efficient public procurement system is vital to the advancement of African Countries, and is a concrete expression of the national commitment to making the best possible use of public resources". He also stressed that "Reforming and strengthening systems of public procurement must be given a high priority in the efforts to improve the systems of governance in African Countries".

Conclusions

The purpose of the study was to test the hypothesis about the relationship between procurement procedures and project success of selected government institutions in Rwanda. The findings revealed that there is a significant relationship between procurement procedures and project success of selected government institutions. Thus, the null hypothesis was rejected. So far as per this study, the positive effects of procurement methods and procedures overwhelm the negative effects though the fact remains that a lot is required to improve public procurement through emphasizing timeliness, appropriateness and proper planning so as to achieve the overall concept of "value for money".

As a package, the study provided a foundation for a flexible and more modern approach to the efficient and effective management of a significant proportion of the public funds through appropriate users who should always be at frontline of making procurement plans, so as to select the best way forward other than concentrating every decision only at managerial levels.

Recommendations

The Government of Rwanda should ensure that electronic procurement (e-procurement) becomes the standard way of doing business by setting strategic targets for the adoption of electronic transactions. This would reduce on delays, fraud and corruption cases.

Bureaucracy which was noted for slowing down the rate of procurement should be minimized if an organization is to reap from the benefits of the procurement methods and procedures.

All actors involved in the procurement operations from the beginning to the late stage of procurement cycle should be trained, and acquire required skills/knowledge in standard procurement procedures in order to help speeding up the procurement operations in compliance with national procurement regulations.

In addition, the researcher would recommend putting in place strong control mechanisms that could help government institutions to monitor procurement processing in order to achieve its primary goal that is "value for money".

Areas for Further Research

The research does not and cannot guarantee that the study was completely exhausted. In any case, the scope of the study was limited in accordance with the space, and objectives. Prospective researchers and even students should be encouraged to carry on research on the following areas:

1. Country Procurement System in Rwanda
2. E-procurement Promotion in Rwanda
3. Contract management in public institutions, Rwanda

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APPENDIX I

INTRODUCTION LETTER



Ggaba Road - Kansanga
P.O. Box 20000, Kampala, Uganda
Tel: +256 - 414 - 266813 / +256 - 772 - 322563
Fax: +256 - 414 - 501 974
E-mail: admin@kiu.ac.ug
Website: www.kiu.ac.ug

**OFFICE OF THE HEAD OF DEPARTMENT, ECONOMICS AND MANAGEMENT
SCIENCES
COLLEGE OF HIGHER DEGREES AND RESEARCH (CHDR)**

Date: 21st May, 2012

**RE: REQUEST FOR ANTOINETTE KAMANZI MBA/33305/102/DF
TO CONDUCT RESEARCH IN YOUR ORGANIZATION**

The above mentioned is a bonafide student of Kampala International University pursuing Masters in Business Administration (Procurement and Supply Management).

She is currently conducting a research entitled **"Procurement Procedures and Project Success of Government Institutions in Rwanda"**.

Your organization has been identified as a valuable source of information pertaining to her research project. The purpose of this letter is to request you to avail her with the pertinent information she may need.

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

Any assistance rendered to her will be highly appreciated.

Yours truly,

Mr. Malinga Ramadhan
**Head of Department,
Economics and Management Sciences, (CHDR)**

NOTED BY:

Dr. Sofia Sol T. Gaité
Principal-CHDR

APPENDIX II
LETTER FROM GOVERNMENT INSTITUTION AUTHORIZING TO
CONDUCT THE RESEARCH

REPUBLIC OF RWANDA



Kigali, 24 SEP 2012
No 010/2012-873/RPPA

RWANDA PUBLIC PROCUREMENT AUTHORITY (RPPA)
AVENUE KN 73 AV
P. O. Box: 4276, KIGALI-RWANDA
E-mail: rppa@rwanda1.com

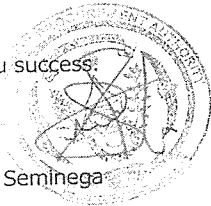
Attn. Ms. Antoinette Kamanzi
Student at Kampala International University (KIU)
Master of Business Administration
Procurement & Supply Management
KAMPALA

Subject: Authorization to conduct research in RPPA

Dear Antoinette,

Reference to the letter from Kampala International University (KIU) and your e-mail received on August 14, 2012, this is to confirm that I had already authorized you to conduct your research in RPPA. I noted that the topic of your research is "Procurement procedures and project success of government institutions in Rwanda".

I wish you success:



Augustus Seminega
Director General
Rwanda Public Procurement Authority (RPPA)

Website: www.rppa.gov.rw

APPENDIX III

TRANSMITTAL LETTER FOR THE RESPONDENTS

Dear Sir/ Madam

I am a candidate for Masters Degree of Business Administration at Kampala International University and currently pursuing a Thesis entitled "**Procurement Procedures and Project Success of Government Institutions in Rwanda**".

In view of this empirical investigation, may I request you to be part of this study by answering the questionnaires? Rest assured that the information that you provide shall be kept with utmost confidentiality and will be used for academic purposes only.

As you answer the questionnaire, be reminded to respond to the items in the questionnaire thus not leave any item unanswered. Further, may I retrieve the filled out questionnaire within 5 days from the date of distribution?

Thank you very much in advance.

Yours faithfully

Ms. Antoinette Kamanzi



APPENDIX IV
INFORMED CONSENT

I am giving my consent to be part of the research study of Ms. Antoinette Kamanzi that will focus on "Procurement Procedures and Project Success of Government Institutions in Rwanda".

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

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

Initials: _____

APPENDIX V QUESTIONNAIRE

Date_____

FACE SHEET

Code # _____

Date Received by Respondent _____

I. PROFILE OF RESPONDENTS

Please fill in and use a tick (✓) to indicate your response, (where applicable)

1. Age:

Range: 20-29 ; 30-39 ; 40-49 ; 50 and above years old

2. Sex:

- a. male
- b. female

3. Qualification

Masters Degree	Bachelor's Degree	Diploma	Secondary School	Primary School	Other specify
1	2	3	4	5	6

4. Professional training (e.g.)

CIPS	CPA	CPS	ACCA	NEVI	Other specify
1	2	3	4	5	6

5. How long have you worked with the current Institution?

.....

Please rate /indicate/ tick (✓) appropriately your response with respect to the importance of the statements below:

1.	2.	3.	4.
Strongly Agree	Agree	Disagree	Strongly Disagree

2. EXTENT OF PROCUREMENT PROCEDURES IN SELECTED GOVERNMENT INSTITUTIONS

	Questions	1	2	3	4
1.	All stakeholders' procurement roles in the institutions should be clearly demarcated.				
2.	All specifications of goods, works and services to be purchased should be well founded e.g. based on market research				
3.	All the general procurement notices should be advertized before invitation for bids				
4.	The procurement plan should be prepared and advertized at the beginning of each fiscal year.				
5.	The Procurement Units should have and make accessible up-to dated relevant information to the head of departments to enable the identification of selection criteria.				
6.	The Procurement Units should have an ICT database on all procurements; suppliers records and be made accessible to members of the evaluation committee and other stakeholders				
7.	Budget managers should counter check the steps undertaken by the evaluation committee before signing the contract				
8.	There should be mandatory induction training on procurement for all public officers prior to joining the institutions				
9.	Internal tender committee members should be trained in procurement procedures				
10.	Procurement officers ought to have certified professional training				

11	Procurement officers must have on-going workshops to tackle emerging issues in procurement				
12	Procurement entity managers should have awareness workshops on strategic procurement, ethics, rules, and regulations				
13	Internal Auditors must be trained in the conduct of a procurement audit and risk analysis				
14	All officers in the institutions must have knowledge of the procurement rules and regulations, ethics and risks to its integrity				
15	Budget managers and technical officers should have knowledge on the national procurement law and international standard procurement procedures				
16	Institutions should design regulations for mandatory induction training on procurement for all new staff				
17	It should be an employment requirement for all budget managers and procurement staff to declare their assets/wealth to the Ombudsman Office				
18	Procurement plans should be based on institutional annual budgets				
19	Provisions should be made for the debriefing of suppliers whose bids fail at the pre-qualification stage				
20	National independent panel handling bidder's complaints should be effective				
21	Provisions of awarded contracts should be respected by both parties and scheduled sanctions and penalties applied accordingly				
22	Rwanda public procurement authority (RPPA) should conduct a review of the procurement performance in all public institutions on regular basis				
23	Internal tender committee should be appointed for a fixed term period on rotational basis				
24	Procurement procedures from various donors and national procurement system should be harmonized				
25	How would you rank the implementation of the measures suggested above to ensure compliance to international standard practices, rules and regulations at the national procurement level				

3. LEVEL OF PROJECT SUCCESS IN SELECTED GOVERNMENT INSTITUTIONS

	Questions	1	2	3	4
1.	Organization planning				
2.	Project manager's goal commitment				
3.	Project manager capability and experience				
4.	Project staff experience and commitment				
5.	Clarity of the project scope and definition				
6.	Clear project implementation manual with clear role of every actor and partner				
7.	Good monitoring and evaluation system				
8.	Safety precautions and applied procedures				
9.	Use of appropriate procurement procedures				
10.	Use of control system				

Thank you

APPENDIX VI

CLEARANCE FROM ETHICS COMMITTEE

Date_____

Candidate's Data

Name_____Antoinette Kamanzi_____

Reg.# _____MBA/33305/102/DF_____

Course_____Master of Business Administration (Procurement and Supply Management)_____

Title of Study _____ **Procurement Procedures and Project Success of Government Institutions of Rwanda**

Ethical Review Checklist

The study reviewed considered the following:

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

Results of Ethical Review

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

Ethics Committee (Name and Signature)

Chairperson _____

Members' _____

APPENDIX VII
Validity and Reliability of the Instrument

Procurement procedures	No of judges	No of items declared valid	CVI
All stakeholders' procurement roles in the institutions should be clearly demarcated.	5	5	1
All specifications of goods, works and services to be purchased should be well founded e.g. based on market research	5	5	1
All the general procurement notices should be advertized before invitation for bids	5	5	1
The procurement plan should be prepared and advertized at the beginning of each fiscal year.	5	5	1
The Procurement Units should have and make accessible up-to date relevant information to the head of departments to enable the identification of selection criteria.	5	3	0.45
The Procurement Units should have an ICT database on all procurements; suppliers records and be made accessible to members of the evaluation committee and other stakeholders	5	5	1
Budget managers should counter check the steps undertaken by the evaluation committee before signing the contract	5	5	1
There should be mandatory induction training on procurement for all public officers prior to joining the institutions	5	5	1
Internal tender committee members should be trained in procurement procedures	5	2	0.67
Procurement officers ought to have certified professional training	5	5	1
Procurement officers must have on-going workshops to tackle emerging issues in procurement	5	5	1
Procurement entity managers should have awareness workshops on strategic procurement, ethics, rules and regulations.	5	5	1
Institutions should design regulations for mandatory induction training on procurement for all new staff.	5	5	1
It should be an employment requirement for all budget managers and procurement staff to declare their assets/wealth to the ombudsman office	5	5	1

Procurement plans should be based on institutional annual budgets	5	5	1
Provisions should be made for the debriefing of suppliers whose bids fail at the pre-qualification stage.	5	5	1
National independent panel handling bidders' complaints should be effective	5	5	1
Provision of awarded contracts should be respected by both parties and scheduled sanctions and penalties applied accordingly	5	5	1
Rwanda public procurement authority (RPPA) should conduct a review of the procurement performance in all public institutions on regular basis	5	5	1
Internal tender committee should be appointed for a fixed term period on rotational basis	5	4	0.67
Average	5		0.783
Project success			
Organization planning	5	5	1
Project manager's goal commitment	5	5	1
Project manager capability and experience	5	5	1
Project staff experience and commitment	5	5	1
Clarity of the project scope and definition	5	5	1
Clear project implementation manual with clear role of every actor and partner	5	3	0.61
Good monitoring and evaluation system	5	5	1
Use of control system	5	5	1
Average			0.769
Overall average			0.776

CVI = No. of items declared valid (N) ÷ Total no. of items (n)

Where:

CVI = Content Validity Index

CVI = 0.783 + 0.769

CVI = 1.552 / 2 = 0.776

Reliability Statistics	
Cronbach's Alpha	N of Items
.706	28

Appendix VIII

Rwanda Public Procurement System

National Procurement Regulations include the following documents (available on RPPA website):

1. Public Procurement Law N° 12/2007 of 27/03/2007
2. Law establishing RPPA No 25/2011 of 30/06/2011
3. Public Procurement User Guide
4. Standard bidding documents
5. Professional Code of Ethics governing public agents involved in public procurement.

The Rwanda Public Procurement Authority (RPPA) was established on 30/12/2007 by the law no 63/2007 establishing and determining organization, functioning and responsibilities of the Rwanda Public procurement Authority. The RPPA replaced the National Tender Board and unlike the latter whose role was to award and monitor proceedings of public procurement, the RPPA mainly focuses on regulatory measures, monitoring and building capacity in public procuring entities.

Some important clauses of the National Procurement Law

Article 1: Definitions

- 1° **"Accounting Officer"** means any official empowered to approve reports of the Tender Committee and sign the contract on behalf of the procuring entity. This official must be empowered by Law to act as a Chief Budget Manager within the public entity in which he is employed;
- 2° **"Bid or tender"** refers to an offer from a bidder;
- 3° **"Bidder"** means any potential participant or participant in public procurement proceedings;

- 4° **"Bidding Document"** means the document containing information required for the preparation of bids, the award process and the tender execution;
- 5° **"Bid Security"** means any guarantee by a bank or other relevant institution to allow the prospective bidder to participate in tendering;
- 6° **"Contract"** means the agreement between the procuring entity and the successful bidder;
- 7° **"Consultant Services"** refers to activities of an intellectual or of immaterial nature.
- 8° **"Constructor", "Consultant" or "Supplier"**, means any physical or legal person under procurement contract with a procuring entity;
- 9° **"Corrupt practice"** means offering, giving, receiving, or soliciting money or anything of value to make a public official partial in the tender award or contract execution process;
- 10° **"Day"** refers to every weekday including holidays unless stated otherwise;
- 11° **"Fraudulent Practices"** refer to any act of lying, providing misinformation, including collusive practices among bidders aiming at influencing the procuring entity to making wrong
- 12° **"Goods" or "supplies"** means objects of every kind and description including raw materials, products, and equipment be it in solid, liquid or gaseous form, electricity, as well as services that are linked to the supply of the goods if the value of those services does not exceed that of the goods themselves.
- 13° **"Performance security"** means any guarantee by a bank or any other relevant institution established to guarantee the procuring entity that in case the contract is not performed, be it technically or at the level of deadlines, the procuring entity would receive the amount provided for such a guarantee;
- 14° **"Procuring entity"** means Central Government authority, Local Government authority, public institution, commission, Government project, parastatal, agency, or any specialized institution engaged in procurement process and entering in contract with the successful bidder.

15° **"Public Procurement"** refers to the supplies or goods, works, consultant services and other services as they may be needed by a procuring entity;

16° **"Tender Committee"** means a committee established by the procuring entity to assist the Procurement Unit, in the bid opening, evaluation and recommend for award of procurement contracts;

Article 4: Fundamental Principles in Public Procurement

Public procurement shall be governed by the following fundamental principles:

1° transparency;

2° competition;

3° economy;

4° efficiency;

5° fairness;

6° accountability.

Article 5: Accessibility of Procurement Legislation

This Law, orders, standard bidding documents and contracts shall be made available to the public. Procurement regulations, standard bidding documents and bidding document shall be established by a Ministerial Order of the Minister in charge of Public procurement.

Article 6: Procurement Planning

Every procuring entity shall produce annual procurement plan indicating the objectives to be achieved in accordance with procurement regulations. During the procurement planning process and the preparation of the bidding documents, the procuring entity shall ensure that there is sufficient budget allocation and shall respect regulations governing budget execution.

Article 8: Record of Procurement Proceedings

The procuring entity shall keep record of the procurement proceedings containing the following information for a minimum period of five (5) years from the period of the award of tender relating to works, goods or services:

- 1° Bidding document; 2° Bids; 3° Bid opening and evaluation reports;
- 4° Tender award notification; 5° A copy of the contract concluded between the procuring entity and the successful bidder; 6° Certificate of completion;
- 7° All correspondences between the procuring entity and the bidder;

Article 9: Auditing the Conduct of Procurement Proceedings and Contract Execution

Public procurement proceedings shall be subject to regular monitoring by the Rwanda Public Procurement Authority to ensure compliance with the prevailing Procurement legal framework. Every procuring entity and anybody in charge of contract execution shall cooperate with Rwanda Public Procurement Authority in carrying out this mission.

Article 15: Anti-corruption measures

It is strictly prohibited to solicit directly or indirectly, offer to any official or a former employee of the procuring entity or other public authority, a bribe in any form, an offer of employment or any other service or anything of value meant to compromise someone with respect to any act or decision in connection with the procurement proceedings. The Tender Committee shall reject any bidder's offer where it is established that the latter was engaged in any corrupt or fraudulent practices while competing for a public procurement contract. The procuring entity shall promptly notify this rejection to the concerned bidder.

Article 22: Establishment of a Procurement Unit

The procuring entity shall establish, if not already existing, a procurement unit to carry out the following functions:

- 1° procurement planning; 2° preparation of bidding document;
- 3° publication and distribution of invitations to bid; 4° receipt and safe keeping of bids;
- 5° obtaining approvals for the award recommendations from competent authorities; 6° preparation of notification of tender award; 7° ensuring adequate contract execution in collaboration with the beneficiary department; 8° providing information and documents requested by the Rwanda Public Procurement Authority, and 9° any other functions specified in the procurement regulations.

Article 26: Bidding Documents

The Procurement Unit shall prepare bidding documents in accordance with this Law and the procurement regulations. The bidding documents shall contain enough information to allow fair competition among those who may wish to submit tenders. The bidding documents shall set out the following:

- 1° the specific requirements relating to the goods, works or services being procured and the time limit for delivery or completion; 2° if works are being procured, relevant drawings and bills of quantities; 3° the general and specific conditions governing the contract, if the performance security is provided; 4° the tender number assigned to the procurement proceedings by the procuring entity.

Article 28: Advertisement

The procuring entity shall bring the invitation to tender to the attention of those wishing to submit tenders as provided for by this Law. If the estimated value of the goods, works or services being procured is above the threshold established by the procurement regulations, the procuring entity shall advertise the invitation to tender in at least one newspaper of nation-wide circulation and, if the procuring entity has a website, on its website.

Article 176: Violation of Public Procurement rules and code of conduct

Without prejudice to provisions of Penal Code, heads or staff of procuring entities who, within the course of the public procuring proceedings, breach the provisions of this Law and its implementing regulations, are liable to punishable by the competent jurisdiction by six (6) to twelve months.

Article 178: Influence peddling in public procurement

Any act by any person aimed at influencing any decision in the award of a procurement contract shall be sanctioned by the competent court, with a six (6) to twelve (12) month imprisonment and a maximum fine of five hundred thousand Rwanda Francs (500,000 Rwf), or one of the two.

Source: Rwandan Procurement Law

APPENDIX IX

RESEARCHER'S CURRICULUM VITAE

Personnal Profile

Name : Antoinette Kamanzi
REG No : MBA/33305/102/DF
Age : 51 Years
Gender : Female
Address : P.O. Box 609 Kigali
Contact : +250 78 838 1254



Education Background

Master Degree : September 2010 – September 2012
Kampala International University (KIU)
MBA – Procurement & Supply Management
Kampala/Uganda

Bachelor Degree : December 1998 – December 2002
Kigali Independent University (ULK)
Sciences of Management
Kigali/Rwanda

Secondary : September 1974 - June 1982
Technical Management School of Mutumba (ETG)
Bujumbura/Burundi

Work Experience : World Bank Office Kigali – Rwanda

- Procurement Assistant
2008 up to date
- Program Assistant
1995 – 2008

German Technical Cooperation – Bujumbura/Burundi

- Executive Assistant
1983 – 1994

Language : English (very good), French (excellent),
Germany (fair), Swahili (good),
Kinyarwanda/Kirundi (Mother tongue)