PROCUREMENT BEST PRACTICES AND THE PERFORMANCE OF PUBLIC SECTOR: A CASE OF TANZANIA BUILDINGS AGENCY IN TANZANIA

A Dissertation

Submitted to Directorate of Postgraduate Studies and Research, Kampala International University

In Partial Fulfilment for the Requirements of the Award Degree Of Master in Procurement and Supplies Management.

> BY JOSEPHINA .A. KIMARO MBA/4352/304/DT

DECLARATION

I hereby declare that this Dissertation on Procurement Best Practices and the Performance of Public Sector a Case Study of Tanzania Buildings Agency in Dar es Salaam Tanzania is my original work and has not been presented for a degree or any other academic award in any other university or institution of learning.

Name of Candidate

JOSEPHINA A. KIMARO

Signiture of Student

Date -----

APPROVAL

"I/we confirm that the work reported in this dessertation was carried out by the candidate under my/our supervision

Dr. Wario Wako

Signature of Supervisor

Date-----

ACKNOWLEGDEMENT

To God be the Glory.

I would like to extend my acknowledgement to supervisor **Dr. Wario Wako** for his commitment guidance and supervision that he has been giving me from the start up to the completion of this dissertation despite his busy schedules but he never left me alone may Almighty God enrich him. Also special thanks goes to Dr. Emmanuel Kiweewa for encouragement and guidance during the initial stages of this study.

My thanks to the head of PMU and all staff at Tanzania Buildings Agency.

I am equally indebted to the respondents whose answers in the questionnaires and interviewed enabled me to reach the study conclusions.

I am grateful to my friends Fotunatus Steven, Eng. Early Mfugale and Solomon Matovu, for their assistance, support, encouragement and comfort during the study and when I was writing this dissertation.

DEDICATION

This work is dedicated to my son Mohammed, my parents Mr. & Mrs. Anselmi A. Kimaro, who was encouraging and missed my present when they needed me during the study. To my late grandfathers Mr. Christopher C.V. Eyakuze and Mr. Aloyce Kimaro may their souls continue to rest in peace I miss their presence.

ABSTRACT

The study assessed Procurement Best Practices on the Performance of Public Sector. The specific objectives of the study were; to assess the level of compliance to best public procurement practices by TBA, to analyze the barriers of best procurement practices in the public sector and to determine the relationship between best public procurement practices and performance of public sector'.

The study adopted descriptive research design. The population of the study was 120 employees at TBA and a sample size of 92 respondents was used. Structured questionnaires and interview were used to collect data. The specific objectives of the study were; to assess the level of compliance to best public procurement practices by TBA, to analyze the barriers of best procurement practices in the public sector and to determine the relationship between best public procurement practices and performance of public sector

The study found that accountability is highly observed by TBA in the procurement of goods and services as 52.2% of respondents strongly agreed, 27.2% agreed, and 19.6% disagreed and 1.1% strongly disagreed. The study found that there were barriers to best procurement practices in the public sector such and corruption was leading. Also the study found that there was a strong relationship between the Best Procurement Practices and Public Sector Performance (r = 0.628, P - value < 0.05). The study recommended the government to enforce the use of best procurement practices, public entities must ensure that skilled candidates are employed and government to enforce accountability to reducing corruption in procurement.

TABLE OF CONTENTS

DECLARATION ii
APPROVAL iii
ACKNOWLEGDEMENT iv
DEDICATION
ABSTRACTvi
TABLE OF CONTENTS vii
LIST OF TABLESx
LIST OF FIGURE xi
LISTS OF ABREVIATIONS xii
CHAPTER ONE: INTRODUCTION1
1.0 Chapter Overview
1.1 Background of the Study1
1.1.1 Historical Perspective
1.1.2Theoretical Perspectives
1.1.3 Conceptual Perspectives
1.1.4 Contextual perspectives
1.2 Statement of the Problem
1.3 Objectives of the Study9
1.3.1 General Objective
1.3.2 Specific Objectives
1.3 Research Questions
1.4 Research Hypotheses
1.5 Scope of the Study10
1.6.1 Geographical Scope
1.6.2 Theoretical Scope10
1.6.3 Content Scope
1.6.4 Time Scope

1.7 Significance of the Study	11
1.8 Operation Definition of Key Terms	12
CHAPTER TWO: LITERATURE RIVIEW	17
2.0 Introduction	17
2.1 Theoretical Review	17
2.1.1 Institutional theory	17
2.1.2 The Principle Model	18
2.2 Conceptual Framework	18
2.3 Review of Related Literature	20
2.3.1 Best procurement practices in public sector	20
2.3.2 Barriers of best procurement practices in the public sector	21
2.3.3 Best procurement practices and performance of public sector	21
2.4 Research Gap	22
CHAPTER THREE: RESEARCH MATHODOLOGY	24
3.1 Introduction	24
3.2 Research Design	24
3.3 Study Population	24
3.3.1 Sample Size	25
3.3.2 Sampling Procedure	27
3.4 Data Collection Method	27
3.4.1 Questionnaire	27
3.4.3 Documentary Review	28
3.5 Validity and Reliability	28
3.5.1 Validity	28
3.5.2 Reliability	29
3.5.2.1Test-retest Method	29
3.6 Data Gathering Procedure	29
3.7 Data Analysis	30
3.8 Ethical Consideration	

3.9 Limitations of the Study	
CHAPTER FOUR: PRESENTATION OF FINDINGS, ANALYSIS AND DISCUSSIONS .	
4.0 Introduction	32
4.1. Demographic Characteristics	
4.1.1 Gender of Respondents	
4.2. Level of compliance to best public procurement practices by TBA	
4.2.1. Accountability in procurement of goods	
4.2.2. Transparency in the procurement of goods	
4.2.3. Best Practices observed during the procurement process	
4.3. Barriers of Best Procurement Practices	41
4.4. Performance of Public Sector	45
4.5. Best public procurement practices and performance of public sector	
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATION	51
5.0 Introduction	51
5.1 Summary	51
5.2 Conclusion	
5.3 Recommendations	52
REFERENCES	54
APPENDIX I: QUESTIONNAIRE	
APPENDIX II: INTERVIEW GUIDE	64
APPENDIX III: BUDGET	65
APPENDIX IV: TIME SCHEDULE	66

LIST OF TABLES

Table 3.2 Sample Size 2	26
Table 4.1: Summary of the demographic aspects of the respondents in the study	32
Fable 4.2 Age of Respondents	33
Fable 4.3: Education of Respondents	34
Table 4.4: The use of accountability in the procurement process at TBA	35
Table 4.5: Summary of feedback on Transparency in the procurement of goods at TBA	37
Table 4.6: Summary of the best practices in the procurement process	39
Table 4.7: Summary of major Barriers of Best Procurement Practices	42
Table 4.8: Summary of factors that shows improve of Performance of Public Sector	45
Table 4.9: Correlation analysis for the relationship between procurement Practices and Performance of Public sector	

LIST OF FIGURE

Figure 2.1:	Conceptual Framework	
0		

LISTS OF ABREVIATIONS

CIPS	Chartered Institute of Procurement and Supply
CPAR	Country Procurement Assessment Report
CSCU	Civil Service College Uganda
СТВ	Central Tender Board
IPPU	Institute of Procurement Professionals of Uganda
LGA	Local Government Authorities
MFMA	Municipal Financial Management Act
MoPS	Ministry of Public Service
NASPO	National Association of State Purchasing Officials
NIGP	National Institute of Governmental Purchasing
OECD	Organization for Economic Co-operation and Development
PE	Procuring Entity
PE PFMA	Procuring Entity Public Finance Management Act
PFMA	Public Finance Management Act
PFMA PMU	Public Finance Management Act Procurement Management Unit
PFMA PMU PPA	Public Finance Management Act Procurement Management Unit Public Procurement Act
PFMA PMU PPA PPAA	Public Finance Management Act Procurement Management Unit Public Procurement Act Public Procurement Appeal Authority
PFMA PMU PPA PPAA PPDPA	Public Finance Management Act Procurement Management Unit Public Procurement Act Public Procurement Appeal Authority Public Procurement and Disposal of Public Assets Act
PFMA PMU PPA PPAA PPDPA PPPFA	Public Finance Management Act Procurement Management Unit Public Procurement Act Public Procurement Appeal Authority Public Procurement and Disposal of Public Assets Act Preferential Procurement Policy Framework Act
PFMA PMU PPA PPAA PPDPA PPPFA PPRA	Public Finance Management Act Procurement Management Unit Public Procurement Act Public Procurement Appeal Authority Public Procurement and Disposal of Public Assets Act Preferential Procurement Policy Framework Act Public Procurement Regulatory Authority

CHAPTER ONE

INTRODUCTION

1.0 Chapter Overview

This chapter is an introduction and it provides a background of the study and its objectives and purpose. It was divided into different nine sections including introduction of the study, background, statement of the problem, purpose or general objectives of the study, objectives or specific objectives, research questions, hypothesis, scope, significance and operational definition of the key terms.

1.1 Background of the Study

This section gives brief summary of the historical perspective, theoretical, contextual and conceptual perspectives of how procurement best practices how it has been conducted across the World.

1.1.1 Historical Perspective

Globally about 20 years ago, most governments did not understand the potential strategic role that public procurement could play and were focusing more on cost savings, efficiency and corruption. In North America, the terms "public procurement" were not used. State and local governments used "purchasing" and the US federal government used "acquisition." There were two professional organizations, National Association of State Purchasing Officials (NASPO), and the National Institute of Governmental Purchasing, Inc. (NIGP). No professional organizations in USA used "procurement" (Thai, 2017).

Clearly, procurement has a significant role to play in helping the public sector achieve their objectives of cost reduction and value for money and prepare for the uncertainty ahead. In part, this will require procurement to focus on driving costs out of the cost base. But the opportunity also exists for the function to add value in a much more strategic way implications and ensuring that the process is economical and efficient is crucial. This requires in part that the whole procurement process should be well understood by the actors: government, the procuring entities and the business community or suppliers and other stakeholders, including professional

associations like PSPTB in Tanzania, academic entities and the public at large. The data are from government sources or international development institutions, and show that low-income countries have the largest share of public procurement in GDP, at 14.5%; followed by upper-middle income countries, at 13.6%. In Eritrea, for example, public procurement is a whopping 33% of GDP, due to both significant inflows of development assistance that go through public procurement and the small tax base which makes government expenditures almost entirely dependent on development aid (World Bank, 2017).

In Angola, 26% of GDP, for much the same reasons. Some rich countries also have high shares of public procurement in GDP, for example the Netherlands at 20.2% and Finland at 18.5%. The ratio of government expenditure to GDP in these countries is twice as large as in most emerging economies, underscoring the significance of public procurement. High-income countries in the Middle East, however, show markedly lower share of public procurement: Oman at 6% of GDP, Bahrain at 8.2%.(World Bank,2017).Since procurement constitutes such a large portion of the organizations' expenditure, it should be conducted according to the best practices to save costs, minimize waste and streamline operations in order to gain competitive advantage there by leading the organization to achieve Value for Money as the main aim of practicing procurement best practices.

However, the procurement function has traditionally been referred to as a nonstrategic function, often subordinated to finance in the public or service sectors, and therefore considered as a non-value-adding task (Baily, Farmer, Jessop & Jones, 2008). Even with such perceptions, the procurement function has always been accountable for a vast portion of the cost that the organization has incurred and had to bear responsibility for a huge share of quality problems with purchased goods (Burt, Petcavage & Pinkerton, 2010). Yet, most of the time procurement had the overwhelming impact on the bottom line of the organization more than the other functions in the organization.

In the public sector, procurement operates in an environment of increasingly intense scrutiny and accelerated changes driven by technology, programme reviews, public and political expectations for service improvements (Bolton, 2007). This is due to the size of the sector and the scope of its expenditure (Naudé, Ambe & Kling, 2013pg1 Hugo & Badenhorst-Weiss, 2011). It is for this reason that public procurement is an open-regulated process which serves public institutions that are created and governed by a complex array of statutes, regulations, policies and directives (Eyaa & Oluka, 2011).

In African perspectives, public procurement best practices in South African public sector started in 1995 and were directed at two broad focus areas, namely the promotion of principles of good governance and the introduction of a preference system to address certain socio-economic objectives (NT, 2003). The procurement reform processes were embedded in section 112 of the Municipal Financial Management Act (MFMA) (Act No 56 of 2003) and section 76(4) (C) of Public Finance Management Act (PFMA) and the PPPFA (Act No 5 of 2000) (NT, 2005). The National Treasury in 2001 completed a join Country Procurement Assessment Report, with the World Bank to assess procurement practices throughout the public sector. The CPAR identified certain deficiencies relating to governance, interpretation and implementation of Preferential Procurement Policy Framework Act (PPPFA) and its associated regulations (NT, 2005).

The systems of procurement and provisioning were fragmented owing to the fact that tender boards were responsible for procurement whilst provisioning is largely underwritten by norms and standards within the logistics system driven by the national treasury. Effective and efficient financial management within government was continuously questioned. Similarly the logistics system as a tool for asset management raised concerns due to the lack of proper handling of movable assets within the government environment. Concurrently more emphasis was placed on integrated infrastructure development and the unlocking of government property to contribute to the optimalisation of resources (NT, 2003).

The aforementioned situation led the provincial treasuries, in conjunction with the national treasury, over the past years to vigorously embark on a reform initiative to introduce best procurement practices that are efficient and effective. To this end, a strategically powerful concept was pursued, namely, supply chain management (SCM). The tender board causes the systems to be inefficient as far as the method of procurement; logistics management and obsolescence planning are concerned. Since the advent of the PFMA, it has become increasingly important to reassess the aforementioned situation and to develop an integrated approach that

largely places the responsibility with the accounting officers of departments and municipalities (Mkhize, 2004).

The Public Procurement system in Kenya has grown from a rudimentary stage during the colonial and post colonial period to a vibrant regulated system that compares well with the international standards. Firstly, public procurement best practices was for the benefit of the new generation that is entering the profession of procurement, secondly as one who has been involved in Public Procurement for now over 30 years having joined it in 1983. (Odhiambo&Theuri, 2015) In Ugandan perspective, according to Section 6(e) of the Public Procurement and Disposal of Public Assets Act (PPDA Act, 2003), PPDA is mandated to carry out procurement and disposal capacity in Uganda for all stakeholders involved in the procurement and disposal processes. Several higher training institutions graduate students each year at professional entry level (undergraduate and graduate entry), who are absorbed into the profession, in addition to majority enrolling for the internationally accredited CIPS (Chartered Institute of Procurement and Supply) Course. The Institute of Procurement Professionals of Uganda (IPPU)'s main objective is to prescribe, regulate the practice and conduct of members of the procurement profession and to promote procurement professional standards in Uganda. The Civil Service College Uganda (CSCU) of the Ministry of Public Service (MoPS); also carries out training of public servants in several areas including public procurement.

Tanzania, have reformed its public procurement regulations. The reforms have not been limited to regulations only, but included public procurement processes, methods, procurement organizational structures and appropriate job specification and description for the workforce. The reforms have been a result of joint effort with various development partners like the World Bank, International Trade Centre, WTO, and UNCTAD varying from country to country. According to PPRA (2007) in the Final Report of Assessment of the Country's Procurement System, The Government of United Republic of Tanzania has long realized the importance of Public Procurement to the economic development of the country and its contribution to poverty reduction. As part of its effort to improve public procurement system the Government in 1996 commissioned Crown Agent as Consultant to study the country's procurement system and assess its adequacy. The study concluded that the procurement system was fragmented and there was no

uniform system of procurement in place as each entity operated differently using unregulated public procurement system.

It was also found that there were no standard documents or records used in the procurement function and that there was no central organ responsible for coordination and regulation of the government procurement process. Based on the Crown Agents report the Government undertook measures to reform public procurement by enacting the Public Procurement Act No. 3 of 2001 (PPA 2001). The act provided for the establishment of the Central Tender Board (CTB) as the central coordinating body for public procurement activities within the government. As a result, public procurements undertaken in the country from 2001 were governed by the Public Procurement Act 2001 (PPA 2001) and its Regulations.

The regulations used were Public Procurement (Selection and Employment of Consultants) Regulations Government Notice No. 137 and Procurement of Goods and Works Regulations, Government Notice No. 138 both published on 13th July, 2001. The Local Government Authorities (LGAs) used the regulations made under section 65 of the Local Government Finance Act 1982, the Local Government 3 (Selection and Employment of Consultants) Regulations 2003 Government Notice No. 48 and the Local Government (Procurement of Goods and Works) Regulations 2003 Government Notice No. 49 both Published on 21st March, 2003.

The same Act established Public Procurement Appeal Authority (PPAA) to deal with resolution of complaints and disputes arising from the government procurement process. Under this procurement regime, Central Tender Board (CTB) was mandated to regulate procurement activities of all public procuring entities (PEs). With CTB, PEs were allowed to do procurement up to a certain threshold and those that were above the threshold provided in the regulations CTB has to process the procurement on behalf of the PEs. It can be concluded that under CTB, the procurement undertaking has been centralized. The shortcoming of this arrangement was that CTB was doing the public procurement but there was no a regulatory body to monitor it. There were also no time limits to process procurement actions. In the year 2002, the World Bank engaged a Consultant to carry out a country procurement assessment.

The Consultant produced the Country Procurement Assessment Report (CPAR 2003) with a number of recommendations which related to the legislative framework, the procurement system and processes, capacity to conduct procurement and effects of corruption in procurement processes. The CPAR 2003 report recommended the following as a way of improving procurement system in the country; to disseminate Local Government Regulations 2003, establishment of procurement journal, amend Public Procurement Act (PPA 2001) to decentralize procurement undertakings, establish a Procurement Regulatory Board, introduce time limits to process procurement and provide protection to whistleblowers.

Since CPAR (2003), the procurement system has undergone tremendous reform accommodating the recommendations made out of the assessment. One of the most important outcomes of the assessment and implementation of the recommendations was the enactment of the Public Procurement Act, (PPA, 2004) which repealed the PPA 2001. The PPA 2004 became operational on May 2005; however then, Public Procurement Act; (PPA 2011) repealed the PPA 2004. The PPA 2004 and then PPA 2011 fully decentralized the procurement functions to procuring entities and established the procurement oversight body, The Public Procurement Regulatory Authority (PPRA). Further to this important reform, the Government has fully operationalized the Public Procurement Appeals Authority (PPAA) with the function of resolving complaints and disputes arising from the procurement practices.

1.1.2Theoretical Perspectives

This study will be based on the following theories, institutional theory by Mayer & Rowan (1935), and the principle model by Mankee et al, (2005). The institutional theory which explains the normative pillar of how things should be done and the values preferred, the regulatory pillar emphasize the use of rules, laws and sanctions as enforcement mechanism with emphasis on best practices. All public procurement practices need to follow the directives from the Public procurement act and its regulation so as to achieve value for money. As this theory puts much concern on the investigation and sanctions of the procedures laid down by the concerned body.

There is also the Principle model in this model, the law prescribes the operating principles underlying procurement that promote best procurement practice. There is a central regulatory agency that formulates operating policies and guidelines that amplify these principles, showing in general term show the principles are to be applied in all transactions involving public funds.

1.1.3 Conceptual Perspectives

This study had procurement best practices as independent variable and performance of public sector as dependent variable.

Procurement best practices: is described as a supply management philosophy that encompasses a set of well established, common practices employed by leading edge organizations when conducting their procurement with the aim of consistently and continuously improving spend and supplier base optimization to increase return on investment and the bottom-line, to sustain and grow in the long term. This will be measured in terms of transparency or openness, accountability, fairness, competition, Integrity, economy and efficiency, value for money, nondiscrimination and confidentiality (Public procurement in developing countries, 2016).

Performance: performance is "a particular result obtained in management, economics, marketing, etc. that print features of competitiveness, efficiency and effectiveness of the organization and its procedural and structural components. (Verboncu, Zalman, 2005). The performance of public sector as dependent variables will be measured by achieving Value for money, compliance to public procurement act and its provision in the regulation, professionalism in adhering to the code of ethics and enhanced government and public accountability.

1.1.4 Contextual perspectives

Tanzania Buildings Agency (TBA) is the government's Executive Agency under the Ministry of Works (MoW) with a primary mandate of providing quality accommodation to Government and public servants as well as building consultancy services to the Government. The Agency was established in May 2002 in accordance with the Executive Agencies Act No. 30 of 1997 as a transformation of the Building Department (BD) within the Ministry of Works (formerly known as the Ministry of Infrastructure Development). The history of the Building Department dates

back to 1969 when it was formed in the Ministry of Works by virtue of the constitution of the United Republic of Tanzania. The department's functions included construction and maintenance of government buildings as well as provision of electrical and building consultancy services to the government. The department was also responsible for the allocation of grade B Government houses to public servants.

TBA is faced by number of challenges including the followings, High recurrent expenditure, high level of uncollected income, lack of funding to make significant housing investment, Lack of clear visibility on key assets (including buildings and land) and Inadequate number of professional staff and insufficient skills of non-managerial staff, as it is involved in procurement of goods and services plus provision of consultancy services to attain its objectives and achieving Value for money is required to practice best procurement by following all the procedures as stipulated in the Public Procurement Act and its regulation.

It's on such a back ground that the researcher found it imperative to use the above case study. Since Tanzania Buildings Agency is a public Entity is required by law to comply with all the provisions of the act, Regulations Guidelines and all standards issued by the Authority in its practices so as to attain Value for Money.

1.2 Statement of the Problem

The effectiveness of procurement process of public goods and services is integral for any public organization to achieve value for money or high performance. Luhanga (2011) stated that most of the public procurement processes have not been able to meet the intended strategic objective of value for money. Despite efforts by Public Procurement Regulatory Authority to have guidelines on best procurement practices in the public sector, allegations on irregularities in procurement processes are rampant (Mlinga, 2009). Also, the Procurement and Supplies Professional and Technician Board (PSPTB) has been established to increase professionalism on procurement and emphasize on best practices by its members. For instance at TBA, the public servants housing project at Kinondoni and Bunju (5000) apartment has stalled due to procurement irregularities (APER, 2017). In 2015, a building constructed by TBA at the University of Dar es Slaam was found to have huge cracks putting into question the quality of the procured materials. Further, the Annual Procurement Evaluation Report (APER, 2017)

revealed malpractices in procurement processes caused by lack of integrity, corrupt and fraudulent practices among public officers and bidders, weak contract management, poor quality items and services procured by the public organizations. These bring difficulties in achieving value for money and leads to poor performance of the public sector. While different studies have discussed best procurement practices including; that of Arrow smith, (2010) on effects of corruption entrenchment on procurement contracts in Canada and Thai, (2003) on effectiveness in contract management in Tanzania and China. Few studies has related to performance of the public sectors but no at TBA. Therefore, this study was designed to assess procurement best practices on performance of public sector in Tanzania.

1.3 Objectives of the Study

The objectives of the study was divided into general objective and specific objectives

1.3.1 General Objective

The general objective of this study was to examine the relationship between Public procurement best practices and the performance of public sector.

1.3.2 Specific Objectives

The specific objectives of the study were:-

- i. To assess the level of compliance to public procurement best practices by Tanzania Buildings Agency.
- ii. To analyze the barriers of procurement best practices in the public sector.
- iii. To determine the relationship between public procurement best practices and performance of public sector.

1.3 Research Questions

The study was guided by the following research questions:-

- i. To which level does the TBA comply with best Public Procurement practices?
- ii. What are the barriers of best procurement practices in the public sector?
- iii. What is the relationship between best public procurement practices and performance of public sector?

1.4 Research Hypotheses

H1: There is a significant relationship of public procurement best practices and the performance of public entities.

H0: There is no significant relationship of public procurement best practices and the performance of public entities.

1.5 Scope of the Study

The section describes the geographical scope, theoretical scope, content scope and time scope.

1.6.1 Geographical Scope

The study was conducted at Tanzania Building Agency located at Sokoine opposite Karimjee Hall, Dar es Salaam Tanzania. The reason for selecting this agency was TBA is one of the public corporations in Tanzania that acts as Client, contractor and consultant and being the National Building Agency it involves huge number of procurement contracts. The researcher believed that with its high involvement in procurement it will be easier to get the correct data for this study.

1.6.2 Theoretical Scope

This study was based on the institutional theory, and principle model. Institutional theory is the traditional approach that is used to examine elements of public procurement (Luhmann, 2010). Scott (2004) identifies three pillars of institutions as regulatory, normative and cultural-cognitive. The regulatory pillar emphasizes the use of rules, laws and sanctions as enforcement mechanism, with expedience as basis for compliance. According to Scott (2004), institutions are composed of cultural-cognitive and regulative elements that, together with associated activities and resources give meaning to life. In this study the purpose is to find out the impact of public procurement best practices on the performance of public sector. The Principle model in this model, the law prescribes the operating principles underlying procurement that promote best procurement practice. There is a central regulatory agency that formulates operating policies and guidelines that amplify these principles, showing in general term show the principles are to be applied in all transactions involving public funds.

1.6.3 Content Scope

The study focused on Public Procurement Best practices, level of application, adherence and relationship with performance. These best principles of Public procurement include transparency or openness, accountability, fairness, competition, Integrity, economy and efficiency, value for money, non-discrimination and confidentiality. Performance in this study focused on value for money, compliance to public procurement Act, professionalism in adhering to the code of ethics and public accountability.

1.6.4 Time Scope

The researcher revised literatures for a period of ten years from 2007 up to 2018. This time was enough to show the level of procurement practices and the results in terms of performance. This time is being selected because over the last ten years the government of Tanzania has been laying emphasis on best procurement practices.

1.7 Significance of the Study

The research findings generated new knowledge which will be useful to development planners, policy makers, donors and practitioners in Public Organizations especially PPRA.

The study may be relevant to the community because suggestions provided in the research report may be used by the community to avert corrupt practices in the procurement processes as the money spent by the government to purchase goods, services and works are tax payer's money hence they require accountability for that.

This study may be boost the efforts of government and PPRA as policy makers in reviewing procurement process to bring better operation of the whole country in any future decision and also contribute to the body of knowledge.

Other researchers the findings of this research may help to add on the already existing literature and this might help other interested researchers to use it when reviewing the related literatures in future.

1.8 Operation Definition of Key Terms

Procurement: PPA, (2004), means buying, purchasing, renting, leasing or otherwise acquiring any goods, works or services by a procuring entity, spending public funds on behalf of a ministry, department or regional administration of the government or public body and includes all functions that pertain to obtain any goods, works or services, including description of requirements, selection and invitation of tenders, preparation and award of contract.

Public procurement: public procurement is defined as the acquisition, whether under formal contract or not, of works, supplies and services by public bodies. It ranges from the purchase of routine supplies or services to formal tendering and placing contracts for large infrastructural projects. The main key principle of public procurement is that the function is discharged honestly, fairly, and in a manner that secures best value for public money. Contracting authorities must be cost effective and efficient in the use of resources which are available while upholding the highest standards of probity and integrity.

Procurement best practices: is described as a supply management philosophy that encompasses a set of well established, common practices employed by leading edge organizations when conducting their procurement with the aim of consistently and continuously improving expenditure and supplier base optimization to increase return on investment and the bottom-line, to sustain and grow in the long term. Procurement best practices are adopted by organizations that have evolved from reactive purchasing to supply management level.

Performance: performance is "a particular result obtained in management, economics, marketing, etc. that print features of competitiveness, efficiency and effectiveness of the organization and its procedural and structural components. Performance can be regarded as the equivalent of competitiveness (Verboncu, Zalman, 2005).

Public sector: Generally, public sector consists of governments and all publicly controlled or publicly funded agencies, enterprises, and other entities which deliver public programs, goods, or services. It is not; however, always clear whether any particular organization should be included under that umbrella. Therefore, it is necessary to identify specific criteria to help define the

boundaries. The concept of public sector is broader than simply that of core government and may overlap with the not for profit or private sectors.

Transparency

A transparent procurement system is the one that has clear regulations and procedures, standardized tender documents, standardized tender contracts and a fair process. There should be total transparency in connection with procurement decisions. All awards should be formally notified to the successful bidder and then publicly displayed in procurement notice boards or websites. All unsuccessful bidders should have access to the decision principles and be able to understand why they were unsuccessful on this occasion (oral debriefing) (Komakech, 2016).

Accountability

The public officials who are dealing with procurement activities have responsibilities and obligations for performance and stewardship. A good procurement system should have clear lines of responsibility in decision making and public officials responsible for procurement should be made accountable for their decisions. Therefore, accountability is defined as: "the quality or state of being accountable, especially an obligation or willingness to accept responsibility or to account for one's actions". (Komakech, 2016)

Fairness

An efficient public procurement system should give all participants an equal chance to compete and by avoiding discrimination among potential bidders. Potential suppliers should be treated equally and with utmost fairness throughout the contract award process.

Competition

Competition refers to a situation where public bidders compete with one another for procurement contract under the same terms and conditions for the provision of goods, works or services. Procurement should be carried out by competition unless there are convincing reasons to the contrary. Public procurement system should be able to attract high quality national and international suppliers and contractors capable of meeting government needs through competitions (Komakech, 2016).

13

Integrity

The principle of "Integrity" is a cornerstone in public procurement. In this context, integrity refers to the use of funds, resources, assets and authority, according to the intended official purposes and in line with public interest.

The public officials responsible for procurement activities should not involve themselves in corruption or collusion with suppliers or others (Komakech, 2016)

Economy and Efficiency

Economy refers controlling and managing public resources in a way to save and achieve value for money while efficiency means achieving the desired outputs using the available and cheapest means or resources. In this regard, public procurement outcomes are considered in light of the costs incurred (human resources and time), the level of competitiveness achieved (number of bids, participation from cross-border bidders) and the perception of transparency (Komakech, 2016)

Non-Discrimination

The principle of discrimination that a bidder shall not be excluded from participating in public procurement and disposal on the basis of nationality, race, religion, gender or any other criteria not related to qualification, except the objective of discrimination is justified. The principle requires that public officers conducting public procurement should: handle suppliers or contractors fairly and honestly; clear separation of responsibility among players; public bodies should not impose unnecessary burdens or constraints on providers; non acceptance of gifts and hospitality by staff in the procurement; disclosure of personal interests by staff involved in the process; and a bidder should not be excluded from participating in the procurement and disposal on the basis of nationality, race, religion, gender and location. (Komakech.R, 2016)

Confidentiality

Public Officers shall respect the confidentiality of information gained in the course of their duty and shall not use such information for personal gain or for the unfair benefit of any Bidder, contractor or consultant. Information given in the course of their duty shall be true, fair and not designed to mislead. The principle of confidentiality requires that what is not for the public should be kept confidential and information relating to evaluation should be kept confidential until the best evaluated bidder has been notified of the award. (Komakech.R, 2016).

Value for Money (VfM)

Despite the fact that Value for Money should be based on the cost of procuring the core elements, procurement process should aim at acquiring the right items at the right time, and at the right price to support government actions. Mamiro, (2010) defines Value for Money is an essential test against which a procuring entity must justify a procurement outcome. From the user or the targeted public point of view, value for money is the value (output) attached to some defined cost (input). Value for money is narrowly defined as a concept associated with deployment of resources vis a vis realization of some expected output values. The user department or consumer attempts to attach value to products or services received and compares the same with resources expended (Komakech, 2016).

Public accountability

Public accountability means the obligation to answer publicly- to report, to an acceptable standard of answering, for the discharge of responsibilities that affect the public in important ways. It is the obligation to answer to answer for a responsibility conferred. The obligation to answer publicly arises as a fairness obligation whenever authorities intend something that would affect the public in important way. when procurement of goods and work is done by following all requirements as money spent is tax payer's money, all key players are held accountable to the public and performance will increase as the system is clean and level of fraud is minimal.

Higher quality of procurement decisions

When procurement practices are carried out effectively as per government expectations from Tender invitation to award of contract, it will increase fairness and competition, improved access to public procurement information; hence the general performance will be better, as all the procurement decisions that might affect performance are carried out effectively.

Compliance to public procurement Act

Public procurement Act, Public procurement regulation and professionalism in adhering to the code of ethics these mediates between independent and dependent variables, if procurement practices is carried out without complying to the Act and its regulation safeguarding the entire practice there will be no transparency, accountability, the entire system will be corrupt and discrimination will be manifested on the absence of these elements will affect performance hence failure to achieve value for money. If procurement team do not adhere to the code of ethics and behave according to the professional requirements will not carry out the best practice and performance will be affected.

CHAPTER TWO

LITERATURE RIVIEW

2.0 Introduction

This chapter presents a review of literature on the two variables in the study and their relationship. Specifically the chapter review literature theory which was followed by a conceptual frame work /review and a review of related literature based on the objective of the study and it ended with a research gap.

2.1 Theoretical Review

The theoretical framework of a research relates to the philosophical basis on which the research takes place, and forms the link between the theoretical aspects and practical components of the investigation undertaken. As cited by Hunja, (2011), good research should be grounded in theory (Luhmann, 2010). The basis of the proposed study is found in four theories which include; Institutional theory and the principle model.

2.1.1 Institutional theory

Institutional theory is a theoretical framework for analyzing social (particularly organizational) phenomena, which views the social world as significantly comprised of institutions enduring rules, practices, and structures that set conditions on action. Institutions are fundamental in explaining the social world because they are built into the social order, and direct the flow of social life. They are the constants that determine the rules of variation. Institutions condition action because departures from them are automatically counteracted by social controls that make deviation from the social order (Donsbach, 2008).

The theory does not explicitly adopt the core principles of value for money, transparency and accountability nor does it explicitly draw the link between procurement and best practices but it explain why institutions can deviate from social order by taking or observing different actions or procedures. The researcher used this theory to assess the deviation from the best procurement practices and their effect on performance in public organization.

2.1.2 The Principle Model

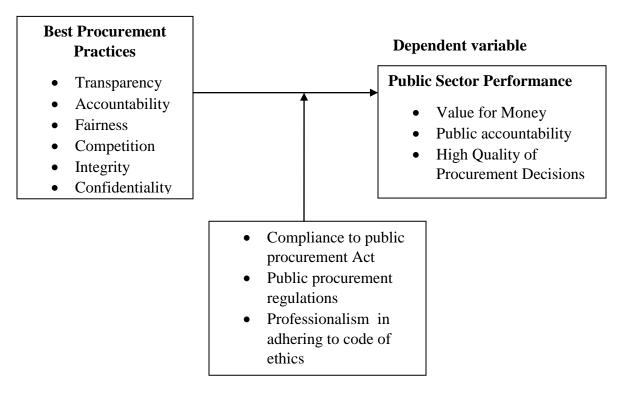
In this model, the law prescribes the operating principles underlying procurement that promote best procurement practice. There is a central regulatory agency that formulates operating policies and guidelines that amplify these principles, showing in general term show the principles are to be applied in all transactions involving public funds. The central agency develops for the purchasing agencies procedure manuals for specific types of transactions. As the environment changes, guidelines and procedures can be modified without too much difficulty.

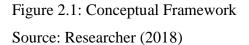
However, the prime responsibility for procurement in all its stages rests with the decision-makers in the purchasing agencies. They are required by the law, to comply with the principles, policies, and guidelines. Their compliance can be monitored through system of reviews by an external agency at critical stages of the process. The model spells out how the procurement practices be conducted by following the laws place in order to guide the entire process of acquiring goods, consultant and non-consultants, works and services. The study used this theory to measure the level of compliance of procurement laws by public sectors in Tanzania.

2.2 Conceptual Framework

The study was conceptualized as shown in Figure 2.1. The conceptual framework in Figure 2.1 portrays the relationship between dependent and independent variables of the study.

Independent Variable





The conceptual framework, Figure 2.1 depicts six elements of the independent variables(procurement best practices) namely transparency, accountability, fairness, competition, integrity and confidentiality all conceptualized to have a relationship with the performance of public sector in Tanzania. The Dependent variable according to the conceptual framework has three constructs (value for money, public accountability and quality of procurement decisions). The conceptual framework (Figure 2.1) also depicts intervening variables (compliance to public procurement acts, public procurement regulation and professionalism in adhering to code of ethics which are believed to affect the relationship between the I.V and the D.V.

2.3 Review of Related Literature

2.3.1 Best procurement practices in public sector

Naluyaga, (2014) on the study of challenges facing procurement entities in complying with procurement regulations, using descriptive design in Tanzania, the study results showed overall non-compliance of procurement laws with 58.8% of respondents observing non-compliance of procurement laws. It was further revealed that there are number of challenges that hinder effective compliance of the procurement regulations; among the challenges are corruption in public procurement, interference from interest group specifically politicians, lack of professionalism, lack of enough skilled personnel, legal environment, market condition, lack of training opportunities and lack of training opportunities. The proposed study will focus on best practices and how they relate with performance of public organization and not challenges facing procurement public sectors.

Australian National Audit Office (2001), audits suggested that public sector managers are proficient at specifying their needs in procurement documents and undertaking a procurement evaluation process. However, organizations are less successful in seeking innovative solutions to the achievement of business outcomes from procurement process for the achievement of required results. There also considerable room for improvement in the management of procurement process. One of the most frequently asked questions during audits on procurement management is where information and guidance can be found on better practice once the process is initiated like procurement contract and is signed. The real work associated with procurement process, particularly which close to an organization's core business and critical to its desired outcomes(s) starts after successful tenderer are identified and the procurement contract is signed. However, as is being constantly reinforced, clear identification and articulation of procurement process requirement at the outset can save considerable time, cost and effort later in procurement management.

Schooner, (2002) also earmarked that procuring entities are responsible for effective management of any procurement contract to ensure the timely delivery of good, works and services in the correct quantities and to the quality specified in each contract. They are required to monitor the progress and timely delivery and/or completion of works in accordance to the

terms of each contract. They are required to take or initiate steps to correct or discipline deviations from observation of contract conditions and ensure that the responsibilities imposed by the contract are fully discharged by the parties involved.

2.3.2 Barriers of best procurement practices in the public sector

Dominick, (2006) stated that lack of a good procurement contract management process in place has consequences both to the buying organization and as well as to the seller. If no one is managing the performance of the process, an organization is likely to fail to meet its goals that it had for the project associated with the procurement contract. Procurement audits report for the financial year 2009/2010 indicated that, one of the key observations by the PPRA on some of the Procurement entities (PE's) was failure on effective contract implementation process in the construction projects mainly with the problem of corruption, sub-standard works, severe project delays and increase in contract prices.

A study conducted by Biramata, (2014) in Tanzania on the challenges of compliance to public procurement laws using a survey, Results from the study revealed that some procuring entities did not comply with Public Procurement Act 2011 mainly due to many factors such as corruption, bureaucracy and tendering procedures. Generally, the findings of this research indicated that tendering procedures should be improved and PPRA policy should match with organizational objectives. The start did not investigated public procurement best practices on the performance of public sector as the designed study.

2.3.3 Best procurement practices and performance of public sector.

A study by Kabega et al (2016), on the effect of monitoring and auditing of tenders on Performance of public projects in Rwanda, argued that the government should monitor and audit the tendering procedures for its projects in order to ensure accountability and transparency. Without auditing procurement officials will not work towards achieving the value for money as, have interest on a percent per each contract of which this brings non accountability and the entire process is not transparent. However, this study did not focus on best procurement practices and their effects on performance. It based on monitoring and auditing tenders. The study conducted by Mokongi et, all., (2015), on the Effects of Procurement Practices on the Performance of Commercial State Owned Enterprises in Kenya using case study on selected public organization, the study findings revealed that buyer-supplier relationships, supplier selection procedures, organizational capacity and procurement process management practices had a strong impact on the performance of commercial state owned enterprises studied. The author argued that all commercial state owned enterprises must implement efficient procurement practices in order to become more efficient in their operations and overall service delivery to their customers. In the proposed study will be looking at the best public procurement practices and performance of public sector in Tanzania which has different procurement regulations.

Odhiambo and Theuri (2015), in their study of Effects of Public Procurement Processes on Organization Performance, in Kenya using correlation, showed that stakeholder integration, skill level of the human resource and supplier management have direct correlation with organizational performance such that organizational performance increase with each increment in the effectiveness of the factors. In this study used dependent variables such as Human Resources Skill levels, Stakeholders integration, and Suppliers management in the proposed study will use best principles of public procurement. In their study the researchers didn't talk about discrimination against suppliers, lack of transparency, poor accountability, lack of competition among bidders, and lack of confidentiality can affect the procurement process and hence performance of the organization.

2.4 Research Gap

Studies have been done on procurement practices and performance of public organizations such as Naluyaga, (2014) challenges facing procurement entities in complying with procurement regulations, Australian National Audit Office (2001) public sector managers are proficient at specifying their needs in procurement documents, Schooner, (2002) Managers responsibility for effective management of procurement contract, Dominick, (2006) Good procurement contract management process, Kabega et al (2016) monitoring and auditing of tenders, Biramata, (2014) compliance to public procurement laws Mokongi et, all.,(2015) Effects of Procurement Practices on the Performance of Commercial State Owned Enterprises in Kenya, Odhiambo and Theuri (2015) Effects of Public Procurement Processes on Organization Performance. However, most of these studies have been done in other countries with different procurement laws and procedures. Those few studies done in Tanzania such as Biramata, (2014) focused on compliance to public procurement laws and did not deal with best procurement practices and performance of public organization. This creates a gap of literature in Tanzania context on the relationship of best procurement practices and performance of public organizations. This proposed study will investigate the best procurement practices and performance of public sector to fill that information gap.

CHAPTER THREE

RESEARCH MATHODOLOGY

3.1 Introduction

This chapter describes the research design, study population, sample size, sampling procedures, research instrument, validity and reliability of the instrument, data gathering procedures, data analysis, ethical consideration and limitation of the study.

3.2 Research Design

The study adopted a descriptive research design because it helps to get gather more information of one particular situation for the purpose of gaining in-depth understanding of issues being investigated (Kothari 2004). The descriptive design involved both qualitative and quantitative strategies. The quantitative strategy was mainly used to express numbers and statistics to answer questions like how many/much, for example: how much costs/ revenue do you save from carrying out best practices by the public procurement (ibid).

The qualitative strategy was used in order to get the direct reaction and feeling of the respondents on the topic at hand. According Wario and Khalfan (2015) qualitative analysis is suited for investigating altitudes and opinions of respondents.

3.3 Study Population

The study involved officials engaged in procurement and different user departments at TBA who are 120. This is according to visit by the researcher to know how many and who are the people actually involved in procurement of goods plus user department because also are involved in drawing specifications of goods and services at TBA. These included; internal audit unit (Principal Internal Officer), public relations unit, information and communication technology unit, legal services unit (Principal Legal Counsel), procurement management unit (Principal Supplies Officer) shown in Table 3.1.

Table 3.1: Study Population.

Category of respondent	No. of Population
Accounting Officer	6
Internal Auditors	2
Procurement Management Unit Employees	15
User Department Employees	97
Total	120

Source; Researcher (2018)

3.3.1 Sample Size

Kothari (2004) defines sample as a collection of some parts of the population on the basis of which judgment is made. Sample size is the number of respondents selected to participate in the study from the targeted population. It depends on the accuracy needed, population size, population heterogeneity whether the sample is subdivided or not and resources available (Bailey, 1994). The sample size was calculated using formula provided by Yamane (1967). At 95% level of confidence the sample size, the following formula will be used to calculate the sample size.

$$n = \frac{N}{1 + N(e)^2}$$
$$n = \frac{120}{1 + 120(0.05^2)}$$

$$=92.3\approx92$$

Where;

N = Number of study population

n =Sample size

e = Sampling Error

In the sample size, each category of participants was represented by certain number of members derived using the Gay (2005) avowal, which observes that the number of members of group or category of 30% of the target population of the group is regarded as representative for small population of the group (N<1000). Therefore the sample size of 92 is said to be constituted with representative members from each category. The size of each category was determined as shown;

30% N (population of a category) \leq 1000 (According to Gay, 2005 is Acceptable and Representative)

For this study, all the numbers of the categories which will be included in the sample size will be selected such that it translates to more than 30% of N (target population of each category) as shown in Table 3.2.

Category of respondent	No. of Respondents
Accounting Officer	4
Internal Auditors	2
Procurement Management Unit Employees	10
User Department Employees	76
Total	92

 Table 3.2 Sample Size

Source; Researcher (2018).

Basing on Gay, (2005) affirmation, the researcher used the following members of each category; Accounting Officer (4), Internal Auditors (2), Procurement Management Unit Employees (10), and User Department Employees (76). The reason why the user department employees were more than other categories is because of the different departments at TBA. This is good to capture representativeness.

3.3.2 Sampling Procedure

Sample procedure is defined by Kothari (2004) as the process of selecting a part of the aggregate of the totality based on which a judgment or inference about the aggregate or totality is made. It is a process of selecting a group of people, events, behavior, or other elements with which to conduct a study. It also includes selection of technique that is going to be used in the selection process. In the case of this study, the researcher used purposive sampling technique. A purposive sample is a non-probability sample that is selected based on characteristics of a population and the objective of the study. Purposive sampling is also known as judgmental, selective, or subjective sampling. Purposive sampling was used to get respondent who are believed to be rich with data for the study.

3.4 Data Collection Method

The researcher used both primary and secondary data collection methods. Primary data was obtained by use of a questionnaire and interview while secondary data was collected using documentary review.

3.4.1 Questionnaire

A questionnaire is a set of questions that is full of traits and clues in order that the respondents can tick the appropriate clue of his/her opinion or write short answers (Wario and Khalfan, 2015). The questionnaire was prepared following the problem statement, literature review and conceptual framework of this study. Closed ended questionnaire was used and the respondents were allowed to fill the questionnaire in their own time. This gave respondents freedom to give answers to sensitive questions. The questionnaire was chosen because it's relatively cheap and able to collect large amounts of data (ibid). In addition, the method provides information with minimum errors and ensures a high level of confidentiality. The questionnaire was distributed to the 92 respondents.

3.4.2 Interview

Interview was also used to collect views from the respondents on the topic at hand. Interview method used structured interviews to the selected respondents to directly seek their opinion as advocated by Kothari (2004). Five respondents were interviewed as to look for more insight on

this topic. Saunders et al, (2007) argue that a minimum of five respondents for interview where other methods of collecting data have been used is sufficient. The respondents who were interviewed were drawn from those given questionnaires. This was done to show data triangulation.

3.4.3 Documentary Review

This tool used to collect data from different sources such as the official documents of TBA, internet, newspapers, textbooks, magazines and journals. This provided information helpful during the study and opened up the researchers mind in understanding the study objectives.

3.5 Validity and Reliability

The study ensures validity and reliability of research instruments.

3.5.1 Validity

Validity was used to determine whether research measures what it intended to measure and to approximate the truthfulness of the results. Validity is concerned with whether the findings are really about what they appear to be about (Saunders et al, 2007). The researcher ensures that only valid questions are asked. This was done by giving the questions in the interview and the questionnaire to procurement experts to crosscheck if the questions are valid (relevant and irrelevant) against the objectives of the study. There after the researcher used the Content Validity Index (CVI), to test the validity of the instruments. Amin (2005) observe that this methods ensures only valid instrument is used to collect data since if the CVI is below 0.796 then the instruments were revised accordingly before proceeding to collect data.

CVI =<u>Number of items regarded relevant in the questionnaire</u> Total Number of items in the questionnaire

This should be >0.796 according to Amin, (2005). All the items in the questionnaire had CVI above the threshold suggested by Amin, (2005).

3.5.2 Reliability

Reliability is the consistency of measurement, or the degree to which an instrument measures the same way each time it is used under the same condition with the same subjects. Reliability of the instrument according to Amin (2005) refers to the degree to which the said instrument consistently measures whatever it is measuring. This was done by pre-testing the instrument to confirm reliability using test-retest method.

3.5.2.1Test-retest Method

To actualize the test-retest method a sample of ten respondents from different but distant time points was subjected to the instruments, correlation coefficient between the two time data will be set and established. If a high coefficient is realized then the instrument will be said to be highly reliable (Wario and Khalfan, 2015). To ensure reliability of the instruments, the internal consistency method using Chronbach's alpha co-efficient was be used. The reliability index was 0.857 and was deemed enough to guarantee reliability. After testing the reliability of the instruments to collect data.

3.6 Data Gathering Procedure

Data gathering was divided into three stages: - before, during and after data collection.

Before

Upon accomplishment and acceptance of proposal, the researcher obtained an introductory letter from the office of the directorate for post graduate and research at Kampala International University in Tanzania. The letter introduced the researcher to the management of Tanzania Buildings Agency seeking permission to collect data. This helped the researcher to schedule visits accordingly and avoid unnecessary inconvenience in regard to the normal daily organizational activities.

During

During the data gathering process, the researcher personally distributed the questionnaires to the respondents and explained to them where they found difficult to understand, also the researcher

made follow ups on weekly basis so as to give respondents time to fill the questionnaire. Further the researcher arranged interview session with the respondents to be interviewed.

After

After obtaining the questionnaires from the field, Self-Administered Questionnaires was coded, edited, categorized and entered into computerized and programmed Statistical Package for Social Scientists (SPSS) for data processing and analysis. The data from the interview was also arranged to align the responses to the objectives of the study.

3.7 Data Analysis

Data analysis is the ordering of data into constituent parts in order to obtain answers to the research questions (Rwegoshora, 2006). Analysis of data was done using Statistical Package for Social Science (SPSS). This was used because gives incredible capabilities and flexibilities of analyzing huge data and generate unlimited scale of results (Kothari, 2004). Qualitative data was analyzed thematically, this enabled the researcher connect with the objectives of the study. The thematic analysis was actualized by analyzing the responses from the respondents and developing the themes emanating from interview responses in reference to the study objectives. The researcher analyzed quantitative data by using descriptive statistics and correlation which helped to establish the relationship between the variables of the study.

3.8 Ethical Consideration

Before commencing the research, an introductory letter from the university was issued and the purpose of the study explained to the authorities to avoid inconveniences and misunderstandings about the purpose of the study. The respondents were assured of confidentiality and anonymity in relation to the information given and that their information won't be leaked in anyway and that would be used for research purposes only. For the interview the respondents were given alphanumeric codes: R1, R2, R3....R5, representing research participant to ensure privacy and confidentiality (Wario and Khalfan, 2015). The researcher also respected the privacy of the respondents and practice other codes of ethics like honest, trust and avoidance of conflict of interest.

3.9 Limitations of the Study

The study was faced with the following limitations;

- a. Some respondents may refused to answer some questions fearing that management may victimize them. However, this was lessened by assuring respondents confidentiality.
- b. Respondent's response may be been rational and may not represent a real life scenario. However this will be taken care during the study where the respondents will be advised to be honest.
- c. Time was limited for the researcher to engage the respondents especially during interviews. However, this was catered by using a questionnaire in most of the respondents and only few (5) respondents for interview.

CHAPTER FOUR

PRESENTATION OF FINDINGS, ANALYSIS AND DISCUSSIONS

4.0 Introduction

This chapter presents the findings, analysis and discussion. The section starts with demographic characteristics of respondents and then presents the findings following the specific objectives of the study. The data has been displayed on tables.

4.1. Demographic Characteristics

In order to ascertain validity and reliability of data, background information about respondents was crucial, for this purpose three questions in questionnaire were asked relating to gender, age and education.

Table 4.1: Summary of the demographic aspects of the respondents in the study

Aspect	Category	Frequency	Percent
Respondents	Male	64	69.6
gender	Female	28	30.4
	Total	92	100.0

Source: Researcher, 2018

4.1.1 Gender of Respondents

The research wanted to know gender distribution of respondents in order to ascertain their nonbusiness of the sample. Table 4.1 presents gender distribution of the sample, where by 69.6% were male and 30.4% were female. The percentage of male was higher compared to female of which portrays that at TBA male are many due to nature of work undertaken which is based on construction, most women will not manage as majority will need to go for maternity leave and other domestic work compared to male who were considered to be available most of the time and can survive on hard working environment during constructions activities.

Table 4.2 Age of Respondents				
Aspect	Category	Frequency	Percent	
Respondents	20-30years	23	25.0	
age	30-40years	26	28.3	
	40-50years	32	34.8	
	50-60years	11	12.0	
	Total	92	100.0	

Source: Researcher, 2018

Age of the respondents was considered to be important in the study as the researcher wanted to know the age distribution in the organisation. In the table 4.2 above the study revealed that the age distribution of the respondents favoured the group between 40 -50 years which comprised 32 (34.8%) of the total respondents. The study findings statistics implies that the selected institutions preferred the age group between 40 to 50 years.

The assumption behind their preference was that at that particular age people already have experience in construction and other managerial issues, followed by respondents aged 30-40 years which comprised 26 (28.3%) these still young hence provide strong man power and will stay long till the age of retiring, followed by respondents aged from 20-30 which comprised 23(25%)these still needs training because at that age majority are fresh from school hence held few of them lastly the organisation held respondents aged from 50-60 11(12%) this group had

few respondents because they are approaching the age of retirement, hence to reduce the cost of replacement hence organisation hold few of such group. The age group was important to the study because revealed for how long TBA holds manpower before replacement and whether the employees work for long time before retirement and yield maximum benefits.

Table 4.3: Education of Respondents					
Aspect	Category	Frequency	Percent		
Respondents	Diploma	10	10.9		
education	Bachelors	12	13.0		
	Postgraduate diploma	26	28.3		
	Other	44	47.8		
	Total	92	100.0		

Source: Researcher, 2018

Table 4.3 above results shows 47.8 % of total respondents falls under the category other which are masters degreed holder, engineering professional courses as required for the job specification, followed by postgraduate diploma 28.3%, bachelors 13% and lower number of diploma 10.9%. The results suggest that there are good number of employees who are well educated who can handle their duties well. However, there is a need to improve training and development so as provide room for career advancement in order to boost the education of the group with education at diploma level. In the study conducted by Isheke (2007) revealed the fact that higher level of education will always reduce challenges in compliance with procurement regulations, since desired level of education will enhance professionalism practices.

4.2. Level of compliance to best public procurement practices by TBA

This was the first objective of the study that intended to reveal the level of compliance by TBA to the best procurement practices as required by the PPRA to all Public Sectors.

4.2.1. Accountability in procurement of goods

Under objective number one accountability was one of the elements that was used to determine the level of compliance by TBA since the expenditure incurred use tax payers money.

Aspect	Category	Frequency	Percentage
	Strongly agree	48	52.2
Observance of	Agree	25	27.2
Accountability in the procurement of	Disagree	18	19.6
goods and services	strongly disagree	1	1.1
	Total	92	100
Accountability in	Strongly agree	27	29.3
tender advertisement	Agree	48	52.2
	Disagree	17	18.5
	Total	92	100.0
Accountability on	Strongly agree	21	22.8
scrutinizing tender documents	Agree	31	33.7
	Disagree	40	43.5
	Total	92	100.0
Accountability on	Strongly agree	34	37.0
he goods and services to be	Agree	42	45.7
procured	Disagree	16	17.4
	Total	92	100.0

Table 4.4: The use of accountability in the procurement process at TBA

Source: Researcher, 2018

Table 4.4 above indicates that accountability is highly observed by TBA in the procurement of goods and services as 52.2% of respondents strongly agreed with the statement, 27.2% agreed, the number of respondents who disagreed with the statement was only19.6% and only 1.1% percent strongly disagreed with the statement.

The researcher wanted to depict the level of accountability in tender advertisement and the results was 52.2% agreed, 29.3% strongly agreed with the statement, only 18.5% disagreed with the statement and there was no any respondent in the category of strongly disagree.

Accountability on scrutinizing tender documents for TBA to enjoy maximum benefits of the procurement process, the results was 33.7% agreed, 22.8% strongly agreed with the statement, 43.5% disagreed, from the result shows positive respondents scored higher, total of agree and strongly agree are 56.5% which was higher than 43.5% disagree. From the results TBA uses tender documents that are approved by PPRA for procuring goods and services as provided in the Public procurement Act, A person having an official duty or being employed in the administration of this Act or engaged as a consultant to the procuring entity shall consider and deal with all documents and information relating to the functions of the procuring entity as confidential.

Subject to section 10 of PPA Act no person in possession of or control over any document or information relating to any business or transaction of the procuring entity shall communicate or attempt to communicate any information contained in such document or pass on such documents to any person other than the Accounting officer, a member of the tender board or the Procurement Management Unit. PPA 2011.46(1&2)

Accountability on the goods and services to be procured for maximum benefits of TBA the results was 45.7% agreed, 37% strongly agree, only 17.4% disagree and there was no strongly disagree. Generally the results implied that accountability at TBA was observed in all angels concerning the procurement of goods, works and consultant services.

The engagement of governments and citizens is essential to achieve any measure of accountability since governments are influential through policy (Carter and Ellram 1998; Linton et al., 2007) and regulation (Hall 2000; Min and Galle 2001; Preuss, 2005; Zhu et al., 2005) but

36

very often they underestimate the importance of accountability and transparent systems that enable them and society to engage in mutual responsive way (<u>http://unpcdc.org/</u>).

During the interview respondent R3 said;

"Procurement best practices are practiced at TBA, although there are challenges"

4.2.2. Transparency in the procurement of goods

This element of transparency investigated the entire practices by TBA whether adheres to it by making sure that all steps undertaken in the procurement of goods, services and award of contracts.

Aspect of Transparency	Category	Frequency	Percentage
			C
Openness	Strongly agree	40	43.5
	Agree	25	27.2
	Disagree	27	29.3
Honesty	Strongly agree	20	21.7
	Agree	53	57.6
	Disagree	19	20.7
	Total	92	100.0
Clarity and accuracy	Strongly agree	16	17.4
	Agree	62	67.4
	Disagree	14	15.2
	Total	92	100.0
Adequate	Strongly agree	17	18.5
communication to	Agree	52	56.5
Tender applicants	Disagree	20	21.7
	Strongly	3	3.3
	disagree		
	Total	92	100.0

Source: Researcher, 2018

From the Table 4.5 above the researcher wanted to know how transparency is practiced during procurement of goods and services by TBA, on the side of openness the results was 44%

strongly agree, 27.2% agree and only 29.3 disagree. The results for honest 22% strongly agree, 58% agree and only 20% disagree. On clarity and accuracy 17.4% strongly agree, 67.4% agree and 15.2% disagree. Procurement of goods and services needs to be done smoothly by observing openness, honest and clarity that it leaves all bidders both successful and unsuccessful bidder satisfied.

Transparency in Public Procurement refers to the ability of all interested parties to know and understand the actual methods and process by which procurement contracts are managed right from advertisement for pre-qualifications, and all the attendant steps and processes up to award. Transparency is a central characteristic of a sound and efficient Public Procurement system as identified by Mkisi, (2005), is basically characterized by the following: - A well-defined regulations and procedures open to public scrutiny, Clear, standardize tender documents to bidders; Tender documents must contain complete information.

(i) An equal opportunity in the bidding process.

(ii) PPA, 2004 & PPR, 2005 give a legal framework that, tender advertisement should be done at least twice in one or more newspapers of national circulation, it provides the potential bidders with information about procurement requirement (what, who, when and where). The tender document on the other hand provides the potential bidders with information about rules of the game. It provides at minimum the following:

(a) Instruction to bidders for preparing tenders, the criteria and procedures for evaluation.

(b) The schedule of requirement, Specifications of requirements, General and special conditions of contract, Sample forms. This makes the bidders to feel free and competent to enter into the race.

The decision to establish procurement rules, regulations and procedures came as a result of the importance of procurement activity in the government.

Adequate communication to tender applicants the results indicated that 19% strongly agree, 57% agree, 22% disagreed and only 3.3% strongly disagreed. From the results it shows communication is done to tenderers but still not at the needed level that's why 22% and 3% were disagree and strongly disagree, from the public procurement act calls all procuring entities to

communicate and keep records for a period not less than five years. A list of tenderers who submitted tenders and the prices tendered, as read out at the time of opening the tenders in public, may be made available to tenderers and to the general public. PPA, 2011 S.61 (3)

Most of literature has described transparency in public procurement activities as a sensitive issue and the source of corruption, scandal and abuse of public resources (Hui et al., 2011). "Transparency is considered a high cost-efficiency way of achieving greater accountability..." (Schapper 2008).

4.2.3. Best Practices observed during the procurement process

The study looked at the elements that revealed whether at TBA observed best procurement practices during procurement of goods and services.

Aspect	Category	Frequency	Percentage
Fairness in procurement	Strongly agree	19	20.7
process	Agree	30	32.6
	Disagree	43	46.7
	Total	92	100.0
Competition is allowed	Strongly agree	24	26.1
in the procurement	Agree	63	68.5
process	Disagree	5	5.4
	Total	92	100.0
Integrity is highly	Strongly agree	20	21.7
observed in the	Agree	42	45.7
procurement process	Disagree	30	32.6
	Total	92	100.0
Confidentiality is	Strongly agree	47	51.1
adhered to during	Agree	40	43.5
procurement process	Disagree	5	5.4
	Total	92	100.0

Table 2.6: Summary of the best practices in the procurement process

Source: Researcher, 2018

On rating how best procurement practices is observed during procurement process the following results were obtained for fairness in procurement process 21% strongly agree, 33% agree and 47% disagreed, this implies that fairness still not well practiced. From the Public procurement Act calls all procuring entities to practice fairness and equality in all procurement aspects.

Procuring entities shall, in the execution of their duties, strive to achieve the highest standards of equity, taking into account-(a) equality of opportunity to all tenderers;(b) fairness of treatment to all parties; and(c) the need to obtain the best value for money in terms of price, quality and delivery having regard to set specifications and criteria. PPA, 2011(47)

On the side of competition during procurement process, 26% strongly agree, 69% agree and only 5% disagree, the result shows that tender are advertised to get liable candidates, as the results TBA saves costs associated with procuring from unqualified bidder. The World Bank has found out that competitive bidding, when properly administered, can lead to savings up to 30 % of budget of procurement. The only problem is that the cost of the bidding process could actually outweigh the benefits. This can only be taken care of by the use of other methods such as competitive quotation. (Ogachi, 2005).Competitive bidding can be a useful and appropriate way of procuring public goods and services, market conditions are fully taken into account by purchasers in designing and planning. (Mwakibinga, 2004).

Also from the public procurement act section 67 states, a procuring entity wishing to commence competitive tendering shall provide all eligible prospective tenderers with timely and adequate notification of the procuring entity's requirements and an equal opportunity to tender for the required goods, works services or non-consultancy services.

Results for integrity showed 22% strongly agreed, 46% agreed and 33% disagreed the total of strongly agreed and agreed is above 50 % of respondents this shows that integrity is observed during procurement process. Sustaining integrity in public procurement is one of the most important aspects of modern and innovative public procurement system in SSA (Kelman 1990, Arrowsmith et al., 2000, and Schooner 2002).

Integrity in public procurement has received particular attention in recent years since billions of government expenditure, stimulus funds, and inefficient public procurement increase risk

(OECD 2006). Economic recovery requests a fair and competitive ground in contracting by public procurement sector. Honesty and accuracy at all stages of public procurement is one of the fundamental values that prevent any kind of corruption, maltreatment of public power for private gain.

On adherence to confidentiality during procurement process 51% strongly agreed, 44% agreed and only 5% disagreed, general results shows that confidentiality is highly observed at TBA. The results indicates that there is observance of confidentiality during business dealings, that the information obtained are used only for the purposes of business not for personal gain.

The principle of confidentiality requires professionals to respect confidentiality of information acquired during the course of business conduct or business relationship and not disclose any such information to third parties without proper and specific authority unless there is legal or professional right to or duty to do so.in the same way, they should not use such information for any personal advantage.

4.3. Barriers of Best Procurement Practices

This was objective two which intended to determine the barriers to best procurement practices that were encountered by TBA. Table 4.7 shows the summary.

Item	Category	Frequency	Percentage
Lack of	Low	20	21.7
knowledge/awareness,	Moderate	25	27.2
skills on procurement	High	47	51.1
best practices	Total	92	100.0
Inadequate qualified	Low	37	40.2
procurement specialist	Moderate	49	53.3
	High	6	6.5
	Total	92	100.0
Corruption	Low	7	6.5
	Moderate	37	40.2
	High	23	25.0
	Very high	26	28.3
	Total	92	100.0
Lack of effective	Low	30	32.5
communication	Moderate	33	35.9
	High	26	28.3
	Very high	3	3.3
	Total	92	100.0
Poor preparation of	Low	79	85.9
tender documents	Moderate	10	10.9
	High	3	3.3
	Total	92	100.0
Lack of knowledge on	Low	40	43.5
Public Procurement	Moderate	8	8.7
Act	High	44	47.8
	Total	92	100.0

Table 4.7: Summary of major Barriers of Best Procurement Practices

Source: Researcher, 2018

From table 4.7 above, looking at the barriers that might prevent procurement best practices the results were as follows, lack of knowledge/awareness, skills on procurement best practices 21.7% low, 27.2% moderate and only 51.1% high. From the results training need to be executed at high level at TBA for the staffs. Employees Officers involved in the procurement process should be trained and well oriented on the best use of the best procurement practices, this has to be taken care from the undersigned institution/board, and this is in parallel to the use of the

organization policy and procedure for the purpose of equipping well to handle the procurement activities. To support this training, the said officers should build the culture of going through the procedure as the means of ethical execution of the procurement processes.

Having inadequate qualified procurement specialist 40% low, 53% moderate and 7% high. It shows that TBA still have unworked on professional experts though the number is not so high. Professionalism in public procurement does not relate to the levels of education and qualifications of the workforce only, but also to the professional approach in the conduct of business activities (Raymond, 2008).

According to Robert and Clifford (2004), a professional is characterized by having a professional organization, a Code of Conduct and Ethics, a body of knowledge and research activities. In public procurement, much effort has been made to define the competencies required of those in the profession through professional bodies such as the National Institute of Purchasing, 2004; Tanzanian Procurement and Supplies Professional and Technicians Board (PSPTB), 2007. These professional bodies are responsible for among others, development and dissemination of codes of ethics and conduct for its professionals.

On the Level of corruption 7% high, 40% moderate, 25% high and 28% very high. Total for high and very high was higher than the total for low and moderate hence corruption is still a barrier at TBA because bidders will struggle to win the contract which makes them to use any means to make sure they win including corrupting procurement officers. Albert (2011) stated that corruption somehow exists in all societies; there is no country free from corruption. Whereas, Heath (2000) claims it is a global issue since it has been always a problem in public procurement irrespectively of whatever control measures are employed, it will still remain an issue.

These findings correlate with the literature review (Thai 2011) which identified corruption as one of the challenges. It was recommended that corruption which exists is due to unethical behaviors of the public servants. Participants said that corruption is a major challenge in public procurement and this view is also supported by Shaw (2010). There are a number of tenders that have been associated with corruption. The findings on the corruption has indicted that there many tenders which are issued to tenders who have some relationship with the procurement

department staffs. This leads to reduced accountability and transparency as well as limit the competitive elements within the department.

Results for lack of effective communication 32.5% low, 36% moderate, 28.3% high and 3% very high. This implied that communication was still a barrier as procurement teams need to communicate in all matters pertaining procurement practices. From user department to procurement department plus the supplier, there should be a good flow of information to ensure that the materials procured are of good quality as per specification. Information sharing sometimes refers to good quality information flow between an enterprise and its partners in the supply chain.

Results for poor preparation of tender documents, 86% low, 11% moderate and only 3% high, that means TBA uses approved Tender documents to be used in procurement of goods and services. Public Procurement Regulatory Authority calls for all procuring entities to use the standardized tender documents in the procurement of goods and services so as to avoid irregularities during purchasing of goods and services as the main goal is to achieve value for money.

Lack of knowledge on Public Procurement Act 43.5%, low 9% moderate and 47.8% high, the results indicated some employees at TBA still lacks knowledge about Public Procurement Act, as not all employees are from the field of procurement, the researcher makes the assumption that those who are engineers cares little about this field this of procurement hence makes the number of people who lacks the knowledge to be high than those who understands it.

During the interviews all the respondents R1, R2, R3, R4 and R5, agreed that there were barriers facing use of best procurement practices. For instance respondent R1 said;

"The biggest barrier to use of best procurement practices is corruption"

4.4. Performance of Public Sector

This section dealt with elements that indicate level of performance in the Public Sector by looking at their scores per each element.

Item	Category	Frequency	Percentage
Level of increase in	Very high	45	48.9
performance by Best	High	32	34.8
procurement practices	Moderate	7	7.6
	Low	8	8.7
	Total	92	100.0
Value for money	Strongly agree	71	77.2
	Agree	20	21.7
	Disagree	1	1.1
	Total	92	100.0
public accountability	Strongly agree	68	73.9
	Agree	24	26.1
	Total	92	100.0
Quality of	Strongly agree	59	64.1
procurement decision	Agree	33	35.9
-	Total	92	100.0
Activities undertaken	Strongly agree	18	19.6
by TBA	Agree	74	80.4
-	Total	92	100.0
Organizational	Strongly agree	32	34.8
provision of public	Agree	12	13.0
accountability	Disagree	48	52.2
	Total	92	100.0
Decisions taken by	Strongly agree	17	18.5
TBA	Agree	38	41.3
	Disagree	37	40.2
	Total	92	100.0
Rationality in making	Strongly agree	3	3.3
decisions at TBA	Agree	52	56.5
	Disagree	37	40.2
	Total	92	100.0

Table 4.8: Summary of factors that shows improve of Performance of Public Sector

Source: Researcher, 2018

Table 4.8 above shows when procurement best practices is adhered to the level of increase in performance will be as follows 49% very high, 35% high, 8% moderate and 9% low. From the results indicates that out of procurement best practices by adhering to the principles of procurement such as competition, confidentiality, transparency, to mention but few the performance will increase as the result Value for Money will be achieve.

Performance provides the ground to assess how well public entities progress towards predetermined objectives and decides on the future initiatives with the purpose of starting performance improvements. (Gelderman, et. al., 2006). Measuring the performance of the purchasing function yields benefits to organizations such as cost reduction, enhanced profitability, assumed supplies, quality improvements and competitive advantage as noted by (Basheka & Bisangabasaija, 2010). Research by (Gribbinset. al, 2003) has also described public procurement research and how these positively impact public procurement in terms of cost, time, satisfaction, quality, stock, and value.

Value for money will increase if best procurement practices are practiced results were 77% strongly agree, 21% agree, and only 1% disagreed. Mlinga, (2011) argued that value for money is based therefore not only on the acquisition price/cost (economy) but also on the maximum efficiency and effectiveness of an entire procurement transaction throughout a procurement process, particularly where large projects are to be implemented and a magnitude sum of money are involved. Then that been the case the personnel who are involved in procurement must have the capacity and skills to run the show efficiently and effectively to minimize risks and maximize impact of the contract performance.

With public accountability increase results were 74% strongly agree and 26% agree. In order to attain accountability, integrity and value for money procurement, control methods need to be formulated and put in place at institutional and legislative levels of government and business organizations. The objective of these legislations is to put a force of law for adherence by public officers charged with the duty of executing public procurement functions. It is intended that in the process, the required transparency will be practiced (Mkisi, 2005).

Quality of procurement decision results showed 64% strongly agree and 36% agree. The results shows that procurement activities are being conducted out of proper planning and critical decisions being taken concerning the place to obtain the supplies and general expenditure.

For a public institution to succeed in its operations and service delivery, procurement planning is vital (Basheka, 2008). According to Wittig (2008) public money is being consumed by procurement hence millions of government funds being misappropriated through procurement may be inhibited through procurement planning. According to Lewis and Roehrich (2009) a good procurement plan describes the process one has to go through for the appointment of suppliers contractually (Lewis & Roehrich, 2009).

Poor procurement planning is a limiting factor to the economic development of Africa as a number of African countries have not paid enough attention to proper management of public resources (Basheka, 2004). Kabaj (2003) argued that for the African countries to advance they should have a public procurement system that's efficient and they should also express a national commitment to make the best use of public resources.

On activities undertaken by TBA if gives value for money results were 20% strongly agree and 80% agree. Nkinga (2008) argued that value for Money (VfM) is an essential test against which procuring entities can justify a procurement outcome. From the user or the targeted public point of view, value for money is the value (output) attached to some defined cost (input).

Value for money is a concept associated with deployment of resources visa vie realization of some expected output values. For the purpose of this research, the social-economical development is considered to be the outcome of effective contract management. The user department or consumer attempts to attach value to products or services received and compares the same with resources expended.

Smith (2009) marked that it is a universal practice to regulate public procurement systems, cutting across developed to developing economies. While it is undisputable that public procurement systems demand high level of transparency, compliance and accountability as enforced by law; the allowance for risk management and maximization of value throughout the procurement process using managerial skills should be accommodated.

Organization provision of accountability from time to time results indicated that 39% strongly agree, 13% agree, 54% disagree. From the results obtained shows that there is a lack of public accountability from time to time. Hugue (2011) claims a weak system of accountability leads to complication when executing management tasks. Lack of accountability in public procurement may lead to additional cost, non-commercial criteria, favoritism and nepotism. In the context of business and community benefits the absence of accountability means that potential suppliers are not encouraged to bid for government projects, which leads to a lack of competitiveness.

Decision taken by TBA if are of high quality results were 19% strongly agree, 41% agree and 40% disagree. The results indicated that before procurement activities takes place the organization undertakes critical decision to avoid cost and other consequences that may arise due to poor decision making that may lead to failure to achieve value for money.

According to Caldwell, Roehrich, and Davies (2009) concept of procurement is that an advanced plan, schedule and group buying results to saving costs, an efficient business operation and thus increased profitability. Group buying, just in time delivery, negotiated bulk pricing and reduced administrative overhead are the steps that form the basis of procurement planning.

Results for rationality in decision making indicated that 3% strongly agree, 57 agree and 40% disagree. This indicates that at TBA there is rationality in making decision concerning best procurement practices so that at the end of the time whatever the agreement reached by different department aim at achieving value for money and increase the performance of the organization.

4.5. Best public procurement practices and performance of public sector

This objective aimed at finding the relationship that exists between dependent and independent variables and used correlation analysis, to establish that relationship.

		Best	ProcurementPublic Sector
		Practices	Performance
	Pearson	1	<20**
Best Procur	Correlation ement	1	.628**
Practices	Sig. (2-tailed)		.000
	Ν	92	92
Public	Pearson Correlation Sector	.628**	1
Performance	Sig. (2-tailed)	.000	
	Ν	92	92

Table 4.9: Correlation analysis for the relationship between procurement Practices and Performance of Public sector

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

Source: Researcher, 2018

For testing the research hypothesis, the relationship between Public Procurement Practices and Performance of the public sector, a bivariate correlation analysis was run in table 4.9 above. The correlation considered the values collated from the different aspects of Public Sector Performance with those collated from the constructs of Best Procurement Practices. The analysis was conducted at a 95% level of significance.

The results of the Pearson correlation coefficient indicate that there exists a strong relationship between the Best Procurement Practices and Public Sector Performance (r = 0.628, P - value < 0.05). That result indicates that there is a very significant positive relationship between Best Procurement Practices and Public Sector Performance.

Therefore we reject the null hypothesis and accept the alternative one. However, this relationship does not necessarily imply causation. These results were consistent with Kiage (2013) who studied factors affecting procurement performance in the Ministry of Energy. In his findings, he found that procurement staff competencies had an effect on procurement performance since if they carried out their responsibilities unprofessionally it leads to resource wastage.

Also during the interviews respondent R3 said;

"Best procurement practices influences performance of public sector

since there is it takes care of corruption and loss of funds"

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.0 Introduction

This chapter presents the summary of results findings basing on study specific objectives it also describes the conclusion and recommendations of the study.

5.1 Summary

The specific objectives of the study were; to assess the level of compliance to best public procurement practices by TBA, to analyze the barriers of best procurement practices in the public sector and to determine the relationship between best public procurement practices and performance of public sector

The study found that accountability is highly observed by TBA in the procurement of goods and services as 52.2% of respondents strongly agreed with the statement, 27.2% agreed, the number of respondents who disagreed with the statement was only19.6% and only 1.1% percent strongly disagreed with the statement Also transparency is practiced during procurement of goods and services by TBA; on the side of openness the results was 44% strongly agreed, 27.2% agreed and only 29.3 disagreed. The results for honest 22% strongly agreed, 58% agreed and only 20% disagreed. On clarity and accuracy 17.4% strongly agreed, 67.4% agreed and 15.2% disagreed.

On rating how best procurement practices is observed during procurement process the study found that fairness in procurement process 21% strongly agreed, 33% agreed and 47% disagreed, integrity results were 22% strongly agreed, 46% agreed and 33% disagreed, adherence to confidentiality during procurement process results were 51% strongly agreed, 44% agreed and only 5% disagreed.

The study found that there were barriers to best procurement practices in the public sector such as lack of knowledge/awareness, skills on procurement best practices results were 21.7% low, 27.2% moderate and only 51.1% high. Having inadequate qualified procurement specialist results were 40% low, 53% moderate and 7% high. On the Level of corruption results were 7% high, 40% moderate, 25% high and 28% very high. Results for lack of effective communication

were 32.5% low, 36% moderate, 28.3% high and 3% very high, Results for poor preparation of tender documents were 86% low, 11% moderate and only 3% high, Lack of knowledge on Public Procurement Act results were 43.5%, low 9% moderate and 47.8% high. The study also found that constructs of best procurement practices increase performance.

Lastly the results of the Pearson correlation coefficient indicated that there exists a strong relationship between the Best Procurement Practices and Public Sector Performance (r = 0.628, P - value < 0.05). That result indicates that there is a very significant positive relationship between Best Procurement Practices and Public Sector Performance.

5.2 Conclusion

The study concluded that level of compliance to best public procurement practices by TBA was moderate since there were some respondents who disagreed with the use of the best procurement practices at TBA. The study concluded that there were barriers best procurement practices in the public sector and corruption was leading. Other barriers included; lack of knowledge/awareness, skills on procurement best practices, having inadequate qualified procurement specialist, lack of effective communication, poor preparation of tender documents and Lack of knowledge on Public Procurement Act. This conclusion is supported by the conclusion of Naluyaga, (2014), who concluded that there challenges facing procurement entities in complying with procurement regulations. Further the study concluded that very significant positive relationship between Best Procurement Practices and Public Sector Performance. This conclusion is similar the conclusion of Odhiambo, and Theuri, (2015) on their study on effects of Public Procurement Processes on Organization Performance in Kenya.

5.3 Recommendations

The study had the following recommendations;

- i. The government should enforce the use of best procurement practices such that the level of compliance with best procurement practices can be raised to high meaning that public sector adheres to best procurement practices since there a significant relationship between best procurement practices and performance of public sector.
- ii. Public entities must ensure that skilled candidates are employed on the basis of merit and placed in their relevant qualifications, skills, and experience with their roles and

responsibilities clearly defined to avoid role conflicts with other professions and departments. TBA as a public sector must recruit only people from the field of procurement so that to reduce challenges that may arise out of having unqualified procurement specialists in the department of purchasing.

iii. Government should enforce accountability to reducing corruption in procurement. To curb corruption and unethical behavior in public procurement PPA authorities should continue blacklisting bidders who have contravened the provisions of the Act and hold public officials who engage in irregularities accountable this will increase the performance of public sector in Tanzania.

REFERENCES

- Anthony R, N. (1965) Planning and Control systems: A framework for analysis. Harvard Business School, USA.
- Arrowsmith, S. (2010). Public Procurement: Basic Concepts and the Coverage of Procurement Rules.
- Arrowsmith, S., (Ed). Public Procurement Regulation: An Introduction. The EU Asia Inter University
- Arrowsmith, S, Linarelli J and Wallace D. (2000). Regulating Public Procurement: National and International Perspectives. Kluwer Law International, The Hague.
- Andrew, M. () Accountability and Transparency; Preventing corruption in Public Procurement: Oral Debriefing Concept [Online]. Available at:http://www.ippa.org/IPPC4/Proceedings/18TransparencyAccountabilityinProcureme nt/Paper 18-12.pdf [27/08/2013]
- Bailey (1994), Transparency: Initial Empirics and Policy; Applications: Paper presented at IMF conference on transparency and integrity, 6-7 July, Washington, DC: World Bank.
- Biramata A.R, (2016), Effect of procurement practices on performance of public projects in Rwanda challenges of compliance to public procurement act no. 7 of 2011 International Journal of Economics, Commerce and Management, United Kingdom, *http://ijecm.co.uk/* (ISSN 2348 0386) Vol. IV, Issue 5.
- Castillo, (2009) The Challenges And Opportunities Of Good Governance In Ghana (Doctoral dissertation, AAU). Un-published, Ghana.
- Gay (2005) Sampling Techniques. Sage Publication, Australia.

Government of Uganda (2006). Final Report of the National Public Procurement Integrity Baseline Survey. Uganda: Kampala.

- Kepha, O. et al (2015). Effects of procurement practices on the performance of commercial state owned enterprises in Nairobi County. International Journal of Scientific and Research Publications (ISSN 2250-3153), Volume 5, Issue 6
- Khi V. Thai, (2017), Public Procurement Today Global View Presented by at the 4th South AsiaRegion Public Procurement Conference Colombo and Kandy, Sri Lanka.
- Komakech, A.R (2016)Public Procurement in Developing Countries: Objectives, Principles and Required Professional Skills, Public Policy and Administration Research www.iiste.org(ISSN 2224-5731)(Paper) ISSN 2225-0972(Online),Vol.6, No.8.

- Kiage, O (2013): Factors Affecting Procurement Performance: A Case of Ministry of Energy. International Journal of Business and Commerce Vol. 3, No.1: Sep 2013[54-70]. ISSN: 2225-2436)
- Kothari (2004) Research Methodology: Method and Technique" New Age International, New Delhi. India.
- Mkhize, Z. (2004). "Supply Chain Management Conference: Transforming Government Procurement System." Paper Presented at the Supply Chain Management Conference, 22 – 23 November, Durban, and Republic of South Africa.
- Mlinga,R.(2009).Promoting integrity in public procurement. Tanzania procurement Journal, Vol.IINo.5,pp 13-39
- Naluyaga,M.R,(2014), challenges facing procurement entities in complying with procurement regulations Network for Teaching and Research in Public Procurement Regulation.
- Odhiambo,C. A, &Theuri,S. F,(2015), Effects of Public Procurement Processes on Organization Performance; International Journal of Scientific and Research Publications, Volume 5, Issue 9.
- Organisation for Economic Co-operation and Development (OECD, 2006) Methodology for Assessment of National Procurement Systems.
- Organisation for Economic Co-operation and Development Annual Report (OECD 2009). Available at: [Accessed, http://www.oecd.org/newsroom/43125523.pdf]

Public Procurement Act 2004,pg 273.

Robert, E., and Clifford P. (2004). *What's Public Procurement: Definitional Problems and Implications*. International Public Procurement Conference Proceedings, Vol. 3, 2004.

Saunders and Tomil (2007), Research philosophy, Saad Publishers, Australia

Rwegoshora (2006). " Good governance ". Lutheran Publishers, Moshi.

Verboncu I, Zalman M (2005) Management şiperformanţe", Editura Universitară, Germany.

Dube and Danescu, (2011). Supplemental Guidance: Public Sector Definition.

Yumane (1967) Yumane (1967) Sampling Techniques. ART publishers, USA

Wayne (2011) Wayne (2001). Management theories. ART publishers, USA

- Wario and Khalfan (2015), Principles, Methods and Practices of Social Science Research, Sumait University Press, Zanzibar- Tanzania.
- Xueyong,S. (2009). A Tentative analysis of challenges and correspondents strategies for small and medium-sized contractors (SMCs) in Tanzania. Lutheran Publishers Da es Salaam Tanzania.
- Isheke, V.O. (2007). Assessment of compliance with public procurement act 2004: a multi case study of Kilimanjaro Christian medical centre, Muhimbili, Mbeya referral hospital. Mzumbe University, Morogoro Campus.
- Kiage , O (2013): Factors Affecting Procurement Performance: A Case of Ministry of Energy. International Journal of Business and Commerce Vol. 3, No.1: Sep 2013[54-70]. ISSN: 2225-2436)
- Kothari, C.R. (2003). Research Methodologies Method and Techniques (2nd Ed.). K.K. Gupta for New Age International (P) Ltd. New Delhi.
- Mlinga,R.(2009).Promoting integrity in public procurement. Tanzania procurement Journal, Vol.IINo.5, pp 13-39.
- Nkinga N.S.D, (2003), Public Procurement Reform-The Tanzania Experience. South Ribble Borough Council, (2007) Value for Money Strategy.
- Mamiro RG. Value for Money, The Limping Pillar in Public Procurement. Tanzania Procurement Journal 2010; 4 -5.
- Basheka BC. Procurement and Local Governance in Uganda: a factor analysis approach, International Journal of Procurement Management 2009; 2(2): 191-209
- Transparency International (2012). Corruption Perception Index [Online]. Available at: http://cpi.transparency.org/cpi2012/results
- The Unite Republic of Tanzania: Ministry of Finance (2012). The National Public Procurement [Online]. Available at:http://www.psptb.go.tz/news_files/psptb_223.pdf
- Soudry, O (2003) A principal-Agent Analysis of Accountability in Public Procurement [Online]. Available at: http://www.unpcdc.org/media/4518/a%20principal-agent%20analysis %20of%20accountability%20in%20public%20procurement.pdf
- The Unite Republic of Tanzania: Ministry of Finance (2012). The National Public Procurement [Online]. Available at:http://www.psptb.go.tz/news_files/psptb_223.pdf
- Lewis, M.A. and Roehrich, J.K. (2009). Contracts, relationships and integration: Towards a

Model of the procurement of complex performance. International Journal of Procurement Management, 2(2):125-142.

Raymond, J. (2008) 'Benchmarking in Public Procurement', 15 (6), pp. 782-793. Emerald Journal, [Online]. Available at: http://www.mubs.ac.ug/procdocs/Procurement%20Ethics%202/Public%20procur ement%20Articles/pp2.pdf

Nkinga, N. S. D (2003) Public Procurement Reforms –The Tanzanian Experience. Paper presented at the WTO – World Bank Region Workshop on Procurement Reforms and Public Procurement for the English – Speaking African Countries held at the Royal Palm Hotel, Dar Es Salaam, Tanzania from 14-17th January 2003.

Basheka, B., C. and Mugabira, M., I. (2008) "Measuring Professional Variables and Their Implication to Procurement Outcomes in Uganda" 3dr International Public Procurement 28 - th30th August 2001.

APPENDIX I: QUESTIONNAIRE

Dear Participants, I am student of MBA at Kampala International University in Tanzania. I am conducting a research on "PROCUREMENT BEST PRACTICES ON THE PERFORMANCE OF PUBLIC SECTOR: A CASE STUDY OF TANZANIA BUILDINGS AGENCY IN TANZANIA)"Kindly fill up the Questionnaire as per the instructions provided at the beginning of each section. Provide the most appropriate answer in your opinion by ticking or writing in the given space as the case may be. The success of this part of research will depend on your positive cooperation. Any information obtained for this purpose will be kept strictly confidential and will only be used for academic purpose. Please fill in the Questionnaire and have it ready within two weeks. Your cooperation will be highly appreciated in this regard.

Thank you!

Josephina Kimaro

(Student/ Researcher)

PART ONE: RESPONDNETS CHARACTERISTICS

Please supply the researcher with facts regarding your profile

1. What is your gender?

Male	Female

2. Select your age group.

20-30 years	30-40 years	40-50 years	50-60 years

3. Select your highest academic qualification?

Diploma	University	Post Graduate	Other
Level	Degree	Diploma	

PART TWO: LEVEL OF COMPLIANCE TO BEST PUBLIC PROCUREMENT PRACTICES BY TBA

4. Do you think during procurement of goods and a service by TBA accountability is highly observed?

Strongly	Agree	Disagree	Strongly Disagree
Agree			

5. The following statements are depicting accountability during procurement of goods and Services at TBA. Indicate (by ticking in the box $\sqrt{}$) how you agree with the statements using the likert scale; Strongly Agree (SA), Agree (A), Disagree (D) and Strongly Disagree (SD).

Statement	SA	А	D	SD
There is accountability in tender				
advertisement				
There is accountability on scrutinizing				
tender documents for TBA to enjoy				
maximum benefits of the procurement				
process.				
There is accountability on the good and				
services to be procured for maximum				
benefits of TBA				

6. In your opinion indicate how you agree with the following aspects of transparency as practiced by TBA during procurement of its good and services.

Variable	Strongly	Agree	Disagree	Strongly
	Agree			Disagree
Openness				
Honest				
Clarity and accuracy				
Adequate communication				
to tender applicants				

7. In your opinion how do you rate the following best practices statements as observed during procurement process of TBA?

The response scale for the questions is as below:

1= Strongly Agree, 2= Agree, 3= Disagree, 4 = Strongly Disagree

		Strongly	Agree	Disagree	Strongly
S/N	STATEMENT	Agree			Disagree
Ι	There is high Fairness throughout the procurement process of TBA				
ii	Competition is allowed in the procurement process of TBA				
iii	Integrity is highly observed in the procurement process of TBA				
iv	Confidentiality is adhered to during procurement process of TBA				

PART THREE: BARRIERS OF BEST PROCUREMENT PRACTICES IN THE

PUBLIC SECTOR

8. Rate the following barriers affecting the use of best procurement practices during procurement process of TBA by ticking (1= Low; 2=moderate; 3=high; 4=very high)

	Rating			
Barrier	Low	moderate	high	very
				high
Lack of knowledge/awareness, skills on				
procurement and best practices				
Inadequate qualified procurement specialist to				
ensure procurement process.				
Corruption				
Lack of effective communication among the				
procurement management team				
Poor preparation of tender documents				
Lack knowledge on PPA to procurement				
professionals to implement the Act.				

PART FOUR: RELATIONSHIP BETWEEN BEST PUBLIC PROCUREMENT PRACTICES AND PERFORMANCE OF PUBLIC SECTOR

9. Which level of increase do you think best procurement practices in procurement if adhered to will increase the Public sector performance?

Level of incr	ease		
Very High	High	Moderate	Low

10. Do you think value for money will increase if best procurement practices are practiced?

Strongly	Agree	Disagree	Strongly Disagree
Agree			

11. Do you think public accountability will be achieved if best procurement practices are practiced?

Strongly	Agree	Disagree	Strongly Disagree
Agree			

12. Do you think high quality of procurement decisions will be arrived at if best procurement practices are practiced?

Strongly	Agree	Disagree	Strongly Disagree
Agree			

13. Do the activities undertaken by TBA give value for money?

Strongly	Agree	Disagree	Strongly Disagree
Agree			

14. The organization provides public accountability from time to time

Strongly	Agree Disagree S		Strongly Disagree		

Agree		

15. Decisions taken by TBA are of high Quality

Strongly	Agree	Disagree	Strongly Disagree
Agree			

16. There is rationality in making decisions at TBA

Strongly	Agree	Disagree	Strongly Disagree
Agree			

APPENDIX II: INTERVIEW GUIDE

- Are you aware of best procurement practices? Can you please name some examples of good procurement practices?
- 2. Do you think TBA practices best procurement practices?
- 3. Do you think the services and good procured by TBA satisfies value for money?
- 4. Do you think best procurement practices influences performance of public sector?
- 5. What barriers do you think are faced by TBA in using best procurement practices?

APPENDIX I II: BUDGET

S/N	DETAILS OF ITEMS	AMOUNT TSHS
1	Transport: = 200,000 during data collection	200,000
2	Stationa ry / typing expenses = 300,000	300,000.
3.	Lunch for researcher = 200,000	200,000.
4	Internet services	100,000
5	Data analysis software	250,000
Tota	1	1050,000/=

APPENDIX IV: TIME SCHEDULE

FROM MARCH TO AUGUST 2018

Activities	1 st Month	2 nd Month	3 rd Month	4 th Month	5 th Month	6 th Month
Research						
problem						
setting						
Scrutinizing						
the literature						
available						
Proposal						
Development						
Submission of						
Proposal and						
Presentation						
Distributing						
questionnaires						
and collecting						
data						
Compiling,						
discussing and						
analysis data						
for prepare						
report						
Typing,						
binding and						
report						
production						
Submission of						
the report						