PROCUREMENT PRACTICES AND PERFORMANCE OF PUBLIC INSTITUTIONS IN RWANDA:
A CASE STUDY OF RWANDA DEVELOPMENT BOARD (RDB)

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DECLARATION

This research project is my original work and has not been presented to any other Institution. No part of this research should be reproduced without the authors’ consent or that of Mount Kenya University.

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DEDICATION

I dedicate this research project to my family: My parents Charles Rangira, my brother Emmy Kayiranga for their encouragement and assistance.
ACKNOWLEDGMENT

I extend my sincere gratitude to the Almighty God for having pursued my education up to this level and for his protection.

Great thanks to my family for their patience during my absence and the contribution towards my success financially and moral.

I also acknowledge the great work done by my supervisor Dr, David Nyambane, his guidance and support contributed towards the compilation of this research proposal.
ABSTRACT

The general objective of this research is to assess the role of effective procurement in the performance of public institutions a case of Rwanda Development Board (RDB). The study will focus on some specific objectives such as analyzing the public procurement practices in RDB; analyze the most procurement methods used in RDB and to determine the relationship between public procurement practices and RDB performance. The study population comprised of 80 RDB staff employed in divisions that are closely related to the area of research such as institutional planning, finance and accounting department, quality assurance and internal audit, procurement, Tourism development. For secondary data, RDB financial statement audited and investments reports in line with pension contributions will be analyzed. The sample size of this study is 42 determined by using the sloven’s formula which is a random sampling technique formula to estimate sampling size. Self-administered questionnaires, and Data collected will be both primary and secondary which will be processed through questionnaires, interview guide and documentary review will be used as data collection instruments using purposive sampling technique. Data will be analyzed qualitatively by use of content analysis and quotes while quantitatively. "A pilot study will be conducted by the researcher by taking some questionnaires to the RDB’s managers. From this pilot study the researcher will be able to detect questions that need editing and those that are ambiguous. The final questionnaire will be then printed out and used to collect data for analysis. Descriptive statistics will be used to analyze data. For proper understanding and accuracy in filling, researcher explanations as well as checks will be done to ensure valid data. Reliability of the consistent results or data will be ensured by reliability of the research instruments and tools by ascertaining that questionnaires are answered consistently and rightly, and also checking to see if certain questions are not ambiguous. The study will use both primary and secondary data will be used to collect data. During the study, questionnaire, interview, documentation and internet search will be used as techniques of data collection. Data will be analyzed Using computer software called Statistical Package for Social Scientists (SPSS) version 20. The research will use descriptive, qualitative and quantitative or statistical analysis data methods. In view of getting well the target and the objectives of study, the researcher will use editing, coding, tabulation and exploratory data analysis. The research findings will be concluded on the influence of effective procurement on public institutions performance based on the objectives, research questions, variables of the study and interpretation of the data. This will enable the researcher to make conclusion on whether effective procurement contribute to the performance of public institutions.
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LIST OF ACRONYMS

AG: Auditor-General’s

IT: Information Technology

OECD: Organization for Economic Co-operation and Development

PAC: Public Accounts Committee (PAC)

PPDA: Public Procurement and Disposal of Public Assets Authority

PPOA: Public Procurement Oversight Authority

RPPA: Rwanda Public Procurement Authority

RDB: Rwanda Development Board

SCM: Supply Chain Management

SPSS: Statistical Package for Social Sciences (SPSS)

TCE: Transaction Cost Economics

USA: United States of America
DEFINITIONS OF KEY TERMS

Organizational Performance: is an organization’s degree of success in utilizing the least possible inputs in order to produce the greatest possible outputs.

Public procurement: Means the acquisition, by any procuring entity, of goods, works or services or any combination of goods, works or services, by contractual means, in accordance with the Regulations relating to public procurement;

Procurement policies: These are rules and regulations for governing procurement procedures in an organization

Goods: means objects of every kind and description including raw materials, products, equipment and objects in solid, liquid or gaseous form, and electricity, as well as services incidental to the supply of the goods if the value of those related services does not exceed that of the goods themselves.

Procurement: The process in which public or private organizations buy supplies or services to fulfill various functions such as shelter, transport and need for infrastructures, among many others

Services: refers to any services other than consultant services. This includes related services
CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Over the past few years, developing countries have been awakened on the importance of effective management of the public procurement process at both central and local government levels, and its subsequent contribution to improved governance of the public sector.

Procurement; a function that was traditionally viewed as a clerical and reactive task has since positioned itself among core organizational functions, and its management is becoming increasingly critical for the well functioning of any organization. Globally, Procurement is becoming important at the local level, in parallel with decentralization and the increasing range of functions performed by local governments in most countries. (Schiavo-Campo&Sundaram, 2000).

Poor procurement management has been one of the major stumbling blocks to the economic development of Africa and it has been clear that a number of African countries have not paid adequate attention to the proper management of public resources (Basheka, 2004). An efficient public procurement system is vital to the advancement of African countries and is a concrete expression of the national commitment to making the best possible use of public resources (Kabaj, 2003). The influence of new public management (NPM) philosophies in the functioning of the public sector has been embraced procedurally by government departments in a number of African Countries. A significant number of African countries have over the government, together with development planning and administration and this fashion became popular in the 1980s(Livingstone & Charlton, 2001). By the late 1990s the failure of the existing procurement systems to cope with the expansion in government procurement requirements and to delivery of value for money had become generally accepted
among government and donor partners (Agaba and Shipman, 2007). In Rwanda, never before has there been a growing interest in the procurement management as discovered by the researcher than it is today.

This management now appears on the agenda of researchers, academics, and policy makers (PartrickKakwezi and Sonny Nyeko unpublished thesis). This is currently the principle law governing procurement and disposal in public sector. It prevails over all regulations and guidelines relating to procurement at all levels of the public sector in Rwanda. It has created a new procurement framework intended to achieve a number of objectives. Firstly, to promote economy and efficiency in procurement and disposal activities of the public sector. Second is to ensure public procurement and disposal is conducted in a fair, transparent and non-discriminatory manner within public sector. Thirdly, to promote integrity and fairness of the procedures; fourthly, is to increase transparency and accountability in those procedures and finally increase public confidence in those procedures.

A procurement plan must be integrated into annual sector expenditure programs to enhance financial predictability ((PPOA, 2009) and Public Procurement and Disposal General Manual. Section 26 (3) of the Act and Regulations 20 and 21 make procurement management mandatory. The procurement plans are prepared as part of the annual budget preparation process as they are necessary to inform the cash flow preparation. The annual procurement management is an integral part of the budget processes. Therefore it is important to appropriately plan multiyear procurement and to integrate them into the medium term budgetary frameworks. The target group of the study is Rwanda Development Board. This is a public institution which offers a variety of services to the public.
1.2 Statement of the Problem

Public institution’s performance (DCD/DAC, 2003). Every institution that uses state funds for its operations is supposed to comply with the Public Procurement Act with effect from August 2005 (PPOA Manual, 2009) the implementation of the Public Procurement Act is very crucial to these institutions.

Procurement is now one of the top items that consume public money (Wittig, 1999) and therefore RDB helps to address the loopholes in the system which millions of state funds are misappropriated through procurement. Regardless of the effort by the governments of developing countries, like Rwanda and development partners like the World Bank to improve performance of the procurement function, public procurement is still marred by shoddy works.

Poor quality goods and services (Basheka, 2004). Failure to implement or delayed implementation of recommended performance standards has resulted in unnecessarily high operation costs, uncoordinated business activities, and failure to attract and retain experienced and skilled personnel in the procurement positions, thus affecting the function’s performance (The World Bank Country Procurement Assessment Report, 2004). PPOA Manual (2009), states that adequate planning and prioritization of needs by each procuring entity is an essential prerequisite to effective procurement for the following reasons: Funding for procurement is unlikely to be sufficient to meet all requirements, and scarce financial resources must be allocated to meet the priority public services before less essential needs.

Publication of realistic annual procurement plans allows the private sector to respond more effectively to the requirements and specifications of government, through investment in staff and equipment, manufacture and importing of goods, and financial planning. Mombasa law court procurements have been termed to be weak since RDB was not put in place. The
organization’s expenditure has been extravagant and inadequate as revealed by the past minutes obtained. The organization has not been able to adequately provide good expenditure of their allocated budget which is attributed to lack of proper RDB. There is a need for procurement effectiveness as it assists procurement entities fulfils their requirements and needs in terms of procurement and hence achieves their service delivery objectives (performance).

1.3 The Objective of the Study

The main objective was to assess the public procurement practices and organization’s Performance in Rwanda Development Board.

1.3.1 Specific Objectives

i) To determine the effect of Proper Need Assessment on RDB’s efficiency

ii) To assess if procurement techniques used in RDB comply with RPPA guidelines.

iii) To determine the relationship between public procurement practices and RDB efficiency.

1.4 Research Questions

i) What is the effect of Proper Need Assessment on RDB’s efficiency?

ii) Are procurement techniques used in RDB comply with RPPA standards?

iii) Is there any relationship between public procurement practices and RDB Performance?

1.5. Significance of the study

The research will help the government to adopt strategies of procurement. Procurement practices will be developed in rural areas and the income of people will increase. The study will help the government to collect money from rural taxpayers. After the research, the researcher gets sufficient knowledge about the practices of procurements and techniques and the
functioning of financial institutions. This study is helpful to the academic researchers and other interested people who will carry out their researches in related domains.

1.6 Limitations of the study

The study may face some limitations. Obtaining data from the bank may be a great challenge because the respondents to hide their information. Also the study may also face challenges of times resources limiting the study from collecting information for the study particularly where the respondents delay in filling the questionnaires. The respondents may be uncooperative because of the sensitivity of the information required for the study. The researcher will try to overcome these limitations by explaining to the respondents that the information they provided will be held confidential and will be used only for academic purpose only.

1.7. Scope of the study

1.7.1 Content scope

This study will only look at the role of procurement practices and efficiency of public institutions.

1.7.2 Time Scope

Findings of this study will be based on the analysis of the views of respondents during the period of 2014-2016.

1.7.3 Geographical Scope

This research will be carried out in RDB located in Gasabo District and covers a selected sample size of staff.

1.8. Organization of the study

This research proposal is organized into three chapters: Chapter one is the general introduction comprising the background to the study, problem statement, objectives of the research,
significance of the research, and scope and limitation of the research. Chapter two covers the literature review which review in brief the ideas of preceding authors about the topic conceptual framework will be reviewed at the end of chapter two. Chapter three deal with the methodological aspects of how data will be collected, processed and analyzed.

CHAPTER TWO: REVIEW OF RELATED LITERATURE

2.0 Introduction

In this chapter, the researcher analyzed and interpreted the review of theoretical literature, empirical literature and critical literature relating to the variables under investigation. The chapter gives an account of what has been published on the topic by accredited scholars and researchers. It involves examining documents like books, journals, and internet resources that have a bearing on public procurement and Performance. The research gives the summary and gaps to be filled. The conceptual framework is also herein presented.
2.1 Theoretical Literature

2.2.1 Procurement techniques

The stages differ according to the nature of procurement and the individual organization in question. Means that, if the product was straight re-buy, modified re-buy and new task all together determine the stages that involved or chosen in obtaining that particular need(s) from an identified and evaluated source. Emmett and Crocker (2008) suggested that procurement or procurement process has ten stages from need identification to payment of respective procurement. This is because most organization combines some stage as one in the process to reduce the lead time and other administrative cost. For instance, some organizations or corporate institutions join the expediting and evaluating as one stage. Based on these facts, there is no unique number of stages of the procurement process. Most writers in this discipline are all in agreement of the fact that, some of the stages will not feature in every procurement activity some of these stages will be taken out if the order is a repeated order.

For example, source, identification and selection omitted if these source have be prequalified initially to assess their capabilities as is been done in some public sector institutions. (Lyon and Dillingham 2003) and (Wile, 2010) introduced a modern way of conducting procurement activity by the use of electronic means (e - procurement). They suggested that, the long process can be shortened through the use of electronic procurement.

PPA(2004) procurement process means a successive stages in the procurement circle, including planning, choice of procedures, measures of solicit offers from renderers’ examination and evaluation of those offers, award of contracts and contract management.
2.2.1 Procurement methods in Rwanda

Restricted Tendering

Restricted tendering is another variation of formal bidding in which only those issued invitations from the procuring entity’s restricted potential bidders relist permitted of to submit bids. With these variations in mind, the procedures to be followed for each of these methods of procurement are essentially the same.

Restricted tendering (also known as limited bidding) is essentially competitive bidding by direct invitation, without open advertisement. Restricted tendering is an option generally where there is a limited number of possible potential bidders or where contract values are small or other special circumstances that may justify departure from competitive bidding.

Where the procuring entity uses restricted bidding as the method of procurement, bids should be solicited from a list of potential bidders broad enough to ensure competitive prices, including all known bidders if their number is small. Under restricted tendering two bidders may not be shortlisted from the same country if international sourcing is done. The shortlisted bidders must be at least three (3) selected in a fair and non-discriminatory manner from a list of prequalified bidders.

An invitation to apply for inclusion on the prequalified list must be advertised, at least annually, in at least one newspaper of the largest nationwide circulation.

Article 16 of the ministerial order No.001/08/10/Min defines a threshold for use of restricted tendering by stating that any procurement contract of which value is LESS THAN FIVE MILLION RWANDA FRANCS (5,000,000) may be awarded using the restricted tendering method if the time and cost required to examine and evaluate a large number of bids would be disproportionate to the value of goods, works or consultancy services to be procured.

Request for Quotations

Request for quotations shopping (sometimes”) is a referred procurement used for small and
routine purchases. It is also defined as a method of procurement used primarily for procurement of goods or low value procurement in which the procuring entity evaluates and makes award to the winning bidder submitting a quotation on the basis of price alone.

Article 53 to 54 of procurement law explains request for quotations as an appropriate method for procuring readily available off-the-shelf goods or standard commodities in quantities of small value and in some cases, small simple works. Request for quotations does not require formal bidding documents, and is carried out by requesting written quotations from several local or foreign suppliers or contractors -- usually at least three -- to ensure competitive prices. Telephone or verbal quotations are not acceptable.

In evaluating quotations submitted by bidders under request for quotations, price and ability to meet required delivery requirements are usually the main selection considerations for these simple purchases. However, the procuring entity may also take into account, things such as the availability and costs of maintenance services and spare-parts over a reasonable period of use. The terms of the accepted offer are incorporated in the purchase order and/or contract.

**Single Source Procurement/Direct Contracting**

**Single Source** (Also known as Direct Procurement or Direct Contracting) is a method of procurement in which the procuring entity determines not to use competitive procurement on grounds of urgency or some other legal principle and negotiates a contract with a single qualified bidder. Article 55 of procurement law affirms that this method can be used and article 56 specify under which conditions it is allowed to be used.

Direct contracting without competition is the method of procurement open to procuring entities
in a limited number of circumstances. In all cases where direct contracting is proposed, procuring entities must ensure that it would not be feasible to apply a competitive bidding procedure. The contractors or suppliers hired by direct contracting must be qualified to perform the works or supply of goods on time, meeting specifications and fulfilling the special requirements of the sole source contract. They should also be required to meet any performance security and warrant conditions that would normally apply in a competitive bidding situation.

Single source method is used when the total cost does not exceed the total amount which is determined by an order of the Minister in charge of public procurement Article16 of the ministerial order N°001/08/10/Min of 16/01/2008 indicates the threshold for direct contracting where it states that any tender whose value does not exceed one hundred thousand Rwanda francs (100,000frw) may be awarded without tendering.

In other way, single source is applied when additional works that cannot be technically separated from initial tender. The value of additional works shall not exceed twenty per cent (20%) of the initial tender value. The additional works shall be subject to additional contract,

When there is a case of force majeure. The circumstances giving rise to the urgency should not be neither foreseeable by the procuring entity nor the result of dilatory conduct on its part.

The procurement shall only be in respect of those goods, works or services that are necessary to cater for the emergency

It is applied also for procurement related to items that are available only from a monopolist. Single source procurement shall not be justified on the grounds that only one bidder has the capacity or the exclusive right to manufacture or deliver goods, works or services if functionally equivalent goods, works or services from other bidders would meet the needs of the procuring entity.

**Force Account**

This method refers to the government’s own w to complete a works project. Refer to the Law

It may be suitable when: The quantities of works cannot be defined, the works are small and at scattered donfirmsare local unlikely to bid at reasonable prices; the works need to be undertaken, the risk of delay is better anborneanindividualbythe contractor;

There is a natural disaster that need immediate or attention similar. After reviewing all options, the use of force account is decided upon, it should be managed so as to introduce productivity controls approximating those of commercial contracting.

Community Participation

In the interest of providing employment to local communities, the PE may decide to execute small construction works, including maintenance and repair, through local User Committees. Provide design and technical inputs, responsibilities for supervision and quality control and other related matters shall be specified by the PE in consultation with the representatives of local User Committees. Refer to article 58 of procurement law where this method shall be used if it is established that, it will contribute to the economy, create employment and involvement of the beneficiary community.

Threshold for using community participation (Article 21 of the regulations):

A procurement contract may be awarded to the beneficiary community if its value does not exceed twenty million Rwanda francs (RWF 20, 000, 000). However, the value of the contract may exceed twenty million Rwanda francs (FRW 20,000,000) if the contract is for making terraces, anti-erosion trenches or planting trees. In such a case, the procuring entity shall hire an expert, to support the community in the particular activity, in accordance with procurement regulations.

2.2.2 Needs Assessment and Quality specification in RDB

RDB entails the identification of what needs to be procured (which is the result of a Needs
Assessment), how the organizations needs can best be met, the scope of the goods, works or services required, what procurement strategies or methods to be deployed, setting the time frames, and the accountability for the full procurement process. According to (Ezeh, 2012) Needs Assessment is “a systematic process for determining and addressing the needs, or gaps between current conditions and desired conditions or wants. This is important in procurement; because it is an effective tool to identify appropriate interventions or solutions by clearly identifying the problem to ensure that finite resources (Prior Budget appropriations) are directed towards developing and implementing a feasible and applicable solution for identified projects.

According to the (PPOA, 2009), the beginning of the procurement process is need realization and identification of the requirements. This is informed by the inventory status, projects plan, production schedules, work plans, capital or operational requirements budgets and the procurement plan. Establishment of the requirements is the foundation for conducting market survey to ascertain aspects such as prices, new products or alternative or substitute products, new sources of supply, nature of competition and environmental aspects that may affect the supply market.

In a 2007 report, (Karin et al.) singled out non-adherence to procurement methods as a major impediment to public procurement development in Kenya. They however did not specify the stage of procurement where this happened. In as much as the above studies highlight the core role of proper need assessment as a foundation for an effective procurement, they fail in bringing to the fore the link between need assessment and institutional performance. Recent theorists also point to the importance of public administration as a moral and ethical concern and recognize that administrative action is permeated by moral choices and are therefore models of not only technical and professional competencies but also of moral behavior (Schlosser, 2003).
Quality specification in procurement

According to Garvin (2003), quality is defined using five different approaches namely; the transcendent approach; the product-based approach; the user-based approach; the manufacturing-based approach; and the value-based approach. The transcendent approach equates quality with Innate excellence: The product-based approach defines quality as a sum or weighted sum of the desired attributes in a product: The user-based approach identifies a high quality item as one that best satisfies consumer needs or wants.

Gronroos (2001) defined service quality as a measure of how well the service level delivered meet customer expectations. A common definition of service quality is that service should correspond to the requirements (Edvardsson, 1998). Despite rigorous academic debate and attention to issues related to understanding service quality from an external customer's perspective, research on the procurement needs domain is relatively new (Gremler et al. 1994).

Edvardsson (1998) contends that specification is an integral part of the procurement function. Without a quality specification the process can be filled with pitfalls and obstacles for the purchasing department. He lists the characteristics of a good specification as follows; Identifies the minimum requirements of the end user, allows for a fair and open procurement process, provides for testing/inspection to insure the goods/services received meet the standard set forth in the specification and provides equitable award at the lowest possible cost.

According to the (World Bank, 2000), the public procurement is based on the four suggested basic principles of maximizing economy and Performance; promoting competition and encouraging maximum participation by suppliers, contractors and consultants; fair and equitable treatment of all suppliers, service providers and contractors; encouraging national manufacturing, contracting and service industries; integrity, and achieving transparency and accountability in the procurement process. Maximizing economy and Performance in
procurement process is concerned with purchasing of goods/services to the required quality of intended purpose in the required time and at the right price (Arrowsmith & Fejo, 2010).

In other words, it is termed as Value for Money (VfM). The principle of economy and Performance requires the usage of funds allocated in way that envisaged goals will be attained while on the other side achieving desired results on the procurement process with minimum resources involved. Broadly, the term value for money is concerned with the economy, effectiveness and Performance of a product, work or service in the procurement process (Mamiro, 2010). In general terms, economy refers to minimizing the costs of resources used without compromising quality. Performance refers to maximizing the output for a given level of input, and effectiveness refers to actual outcomes compared to intended outcomes (Bucharest, 2003). Secondly, it refers to promoting and encouraging competition among eligible suppliers, contractors or service providers in acquisition of goods, works and services by PEs provides better value in terms of lower price and acceptable quality in the procurement process (EPC, 2007).

This principle plays the role of minimizing opportunities for corruption and collusive activities through the elimination of environment that do not allow many eligible suppliers or contractors to participate in public procurement offerings (GOJ, 2010). The issue of selecting procurement method and setting requirements on particular tender has to be guided by this principle. The type of procurement method selected has repercussion on the effectiveness and Performance of the procurement process. Thirdly, ensuring fairness and equity in procurement proceedings is an important pillar in public procurement. This is attained by PEs through taking into account the best interests of a public authority, in giving all eligible suppliers, contractors, and service providers’ equal opportunities to compete in providing goods or executing works or providing services. It requires that comparable situations should not be treated differently and that
different situations are not treated similarly otherwise the differences or similarity in treatment can be justified objectively (Weller & Maitre, 2011).

The Act requires that all payments due to suppliers, contractors or service providers are made promptly in accordance with terms of the procurement contract so as to maintain credibility and creditworthiness of a public authority.

Where not suppliers or contractors not paid on time interests must be charged for compensation of loss of value and the same is applied to suppliers or contractors delaying delivery of works or goods by imposing liquidated damages. Fourthly, the importance of integrity, accountability, and transparency in procurement process forms other basic principles of public procurement. The principle of transparency is concerned with the legality, openness and publicity of public procurement awarding procedures adopted by PE. Timely and proper notices of procurement processes carried out as well as equal criteria and conditions known in advance and providing a room for accessing information on procurement proceedings contribute to attainment of transparency (Mlinga, 2008).

The transparency principle requires that information regarding the procurement process be in the public domain. Potential suppliers of property and services should have full access to information on the procurement requirements, rules and decision-making criteria. Bids are opened publicly and award decisions are published (RTT, 2005). For effective public procurement system, there is a need of ensuring competition and equal access, probity, and accountability by making the public procurement processes as transparent as possible, requiring the public disclosure of all relevant information (Jone, 2007). Accountability is defined as situation where the government or PEs and individual officials on the one hand and suppliers, contractors or service providers on the other hand must be accountable for the correct and
complete execution of their tasks and duties and the decisions and actions being made in their areas of responsibility.

The records explaining and justifying all decisions and actions made should be created and archived (Wiehen & Olaya, 2006). The principle of integrity requires that the procurement process is honest and in compliance with the respective laws, regulations and guidelines that the best available, most suitable technical expertise is employed in a non-discriminatory manner, fair and open competition resulting to a quality product, service or works execution at fair price that take into consideration of expected goals by PE and the public at large.

The procurement has to be carried out without any influence of corruption which can be in the form of bribes, personal interests, political reasons or any other grounds favoring one firm to be awarded the contract (Arrowsmith, et al, 2010). Lack of integrity in the procurement process, prevents PEs in achieving value for money and results to delay of the procurement process due to delayed decision and complaints which may be lodged by suppliers, contractors or service providers involved on the particular procurement. For procurement to achieve its goals, integrity needs to be exercised through professionalism in undertaking procurement proceedings. Professionalism is a discipline whereby educated, experienced and responsible procurement officers make informed decisions regarding procurement operations (Sarfo, 2011).

For the purpose of this study, principle of Performance, economy, transparency, accountability and fairness as well as integrity of the procurement processes in public procurement was a major concern. The extent to which these procurement processes adhere to the hallmarks of public procurement aforementioned has a vital role in attaining the effectiveness of public procurement system. The procurement system operations depend on legal framework which
includes policy, law, regulation, complaints review and institutional set of procurement functions within PEs.

2.6.5 Procurement Process, Efficiency, effective and performance

Knudsen, (1999) suggested that procurement performance starts from purchasing efficiency and effectiveness in the procurement function in order to change from being reactive to being proactive to attain set performance levels in an entity. Procurement performance is considered to be the result of two elements: procurement effectiveness and procurement efficiency. Performance provides the basis for an organization to assess how well it is progressing towards its predetermined objectives, identifies areas of strengths and weaknesses and decides on future initiatives with the goal of how to initiate performance improvements. This means that procurement performance is not an end in itself but a means to effective and efficient control and monitoring of the procurement process.

Efficient public procurement system is the one which operates in a timely manner, with a minimum bureaucracy, while being responsive to the needs of the ultimate users of the goods or facilities procured. Efficiency is defined narrowly in terms of value for money – the best quality at the lowest cost. In this view, efficiency is best secured through open competition, so procurement reform is seen as encouraging a more liberalized system.

A broader definition of efficiency that considers development gains alongside cost and quality would ensure that procurement plays more of a role for poverty reduction (McDonald, 2008). In Ghana example to be efficient and effective in Public Procurement is to carry out procurement activities in a professional and transparent environment with a clear set of predefined rules to foster enhanced competition thus stimulating efficiency an innovation amongst bidders.
There is a better utilization of funding, increased attractiveness to private sector and improved customer satisfaction (PPA, 2008). According to Cloete (1998), efficiency in the public sector means satisfying the most essential needs of the community to the greatest possible extent using the limited resources that are available for this purpose. Thus, public entities should be represented by competent personnel capable of putting the Public Procurement Act (Act 663) into practice to attain efficiency and value for money.

Australia (2005) presents the differences between efficiency and effectiveness.

Efficiency reflects that the organization is “doing things right” whereas effectiveness relates to the organization “doing the right thing”. This means an organisation can be effective and fail to be efficient, the challenge being to balance between the two. For any organization to change its focus and become more competitive Amaratunga & Baldly (2002) suggest that performance is a key driver to improving quality of services while its absence or use of inappropriate means can act as a barrier to change and may lead to deterioration of the procurement process.

Organizations which do not have performance means in their processes, procedures, and plans experience lower performance and higher customer dissatisfaction and employee turnover (Artley& Stroh, 2001, Amaratunga& Baldry, 2002 and CIPS Australia, 2005). Measuring the performance of the purchasing function yields benefits to organizations such as cost reduction, enhanced profitability, assured supplies, quality improvements and competitive advantage as was noted by Batenburg&Versendaal (2006).

Until an organisation measures purchasing performance they will never know how well they are performing and why they should measure purchasing performance. Department of Public Works, Queensland Government (2006) identified four reasons for measuring purchasing performance:
It provides feedback on the extent to which the planned outcomes for purchasing are being achieved in the organisation. The outcome comes after implementing the process if well done the selection becomes of no favouritism as we items delivered are of good quality. It provides information for analysis and decision making. Provides information to executive management about the effectiveness, efficiency, value and contributes to the recognition of the procurement function. It provides focus and motivation for procurement staff.

Purchasing processes are sequence of activities that purchasing conducts its activities in buying goods and services to support the organisation operations (Weele 2010, Monnczka, Trent& Handfield 2002). Performance of purchasing is the direct or indirect output of the processes based on the set objectives and goals of purchasing and the overall expectation and satisfaction of customers (Sollish&Semanik 2007). The processes start from need identification to payment and review of the entire process (Emmert& Crocker 2008, Baily et al 2005, Burt, Dobler& Starling 2006). The processes have direct impact on the performance target set. If the processes are very rigid and quite difficult to amend to respond to changes in customers’ requirements; customers will never be satisfied of the kind of services the function will perform.

The Government stores departments were other institutions authorized to supply a range of common user items to government. They used their bulk purchasing power to obtain good price, quality and delivery and therefore the user organizations did not approach the tender boards for approval once they purchased from the government store departments. There was a mandatory requirement on government ministries and departments to purchase from government stores department.

Companies should be aware that corruption is widespread in the Tanzanian public procurement. According to the world Economic forum’s Global competitiveness. Reports 2013-2014 , surveyed companies point to government officials often favouring well connected companies
and individuals when awarding contracts and that public funds are sometimes diverted to companies, individuals or groups due to corruption.

Nkinga (2003) argued The Government of the United Republic of Tanzania recognizes the negative impact that corrupt activities have on the economy and particularly the poor and the weak. Significant measures to curb and control illicit behavior in the procurement and other processes have been initiated by the Government. Over the last thirty-five years, the Government has developed various strategies, initiatives and organizations to combat corruption, unethical behavior and abuse of power.

The above arguments are measured through involvement of stages of public procurement process and make follow on that. From the stages if not worked properly some factors for the hindrance of proper performance of public procurement process rises including delay in public procurement as well as challenges. It has been found that poor performance of process, procedures and plans experience lower performance and higher customer satisfaction.

- Recognition and assessment of procurement needs by the user
- Establishment of specifications to elaborate the intended procurement needs
- Solicitation of suppliers, contractors, and services providers with evaluation of bids
- Contract award
- Contract Management
Source: Researchers Model, 2017

Recognition and Assessment of Procurement Needs: Public procurement process starts when the needs or requirement are recognized and assessed for various goods, work and services by the users. The requirements are identified by the end of financial year to enable the preparation of annual procurement plan and the necessary approval. In an organization procurement plan is necessary so as to arrange the needs and budgets in order to avoid unnecessary emergency procurement thus helps to obtain value for money and reduce costs also make use of framework contracts.

Establishment of Specifications: After recognition and assessment of procurement needs, the procurement management unit in collaboration with the user department identify specifications, schedule of requirements, terms of reference and procurement methods to be provided to prospective bidder to compete in order to supply various supplies and services basing on the annual procurement plan. Then specifications, schedule of requirement, terms of reference or procurement methods are attached to each requirement. The parameters designed by the users should also be clear and adequate. During the study the researcher found that unclear and inadequate specification is a strong problem which raises queries from suppliers, hence increases submission time as a result delay the procurement process.

Solicitation of suppliers, contractors and service providers. The end of the work to attach specifications, schedule of requirements, terms of reference and/or procurement methods to each requirement gives way to solicit suppliers, contractors and/or service providers. The
solicitation of suppliers, contractors and service providers is conducted competitively domestically and internationally if applicable depending on the public procurement act 2004 and regulations of 2005 for public sectors.

2.2 Empirical Literature

Examining the effects of RDB on public institutions performance with focus on Specific objectives by (Onyango, 2012), Cost Estimation, Need Assessment and Quality Specifications. Very limited scientific research had been done to examine the extent to which efforts in RDB contributed to effective public institutions performance. The study was based on the procurement models, PPOA manual, PPDA Act (2005), and PPDR (2006).

The study provided a guideline on effective measures to be put in place in RDB to facilitate effective procurement which improves institutional performance.

(Wambui, 2013), examined the role of procurement on organizational performance: A survey study of public secondary schools in Imenti North District, Kenya. The research used simple random sampling and self-administered questionnaire for this study. With a descriptive research design also applied the descriptive statistics which involved use of frequencies, percentages and cross tabulations, while descriptive method of data analysis was used. The sample consisted of 30 public secondary schools in Imenti North District; Meru County which was selected using stratified random sampling and this gave 60 respondents. The study employed both qualitative and quantitative research techniques. Data was collected using both open ended and closed ended questionnaires. The research design for the study used descriptive research and further employed descriptive statistics which involved use of frequencies, percentages and cross tabulation.

The study found out that Procurement in public secondary schools is taken was a secondary role by those practicing in other professionals.
To get the maximum worth of every shilling spent in public secondary schools procurement must play a strategic role in decision making and development of procurement plans. The benefits of buyer supplier relationship, group buying and other leading procurement concepts can only be realized when public secondary schools have procurement professional take charge of the procurement processes

Analyzing the effects of public procurement processes on organization performance in Kenya (Odhiambo & Theuri, 2015). A stratified random sampling technique was used to select the sample; the strata were derived from the various categories of stakeholders that are involved in the public procurement process directly or indirectly.

The study used a proportion of 30% from each stratum to select 111 respondents. The study relied on primary as well as secondary data. The study revealed the impact of public procurement process on the organization performance. The research was limited to a public entity and thus the researcher recommends further study in the topic of public procurement process among the parastatals and analysis of the challenges experienced. The study showed a high correlation between stake holder integration and organizational performance as well as a high correlation between human resource skill level and organizational performance. It however showed a weak correlation between suppliers’ management and organizational performance (Mokogi, Mairura & Ombui, 2015), did a study on the effect of procurement practices on performance of commercial state owned enterprises in Nairobi County.

The study adopted a descriptive survey design. Primary data was collected using questionnaires targeting managers in Finance, Procurement, Production and Sales and Marketing departments in each enterprise. The study achieved 80% response rate since ninety-six (96) out of the 120 questionnaires administered were filled and returned.
The population of the study comprised of thirty-eight (38) commercial state owned enterprises operating in Nairobi County. A random sample of thirty (30) enterprises representing 78.95% was selected. 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 study recommends 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.

Study the role of tendering process on performance of public institutions in Kenya (Waruguru, 2015). A case study design was adopted for the study. The study targeted 43 procurement officers from 10 ministries in Nakuru County Headquarters. Census technique was applied. Questionnaires were used to collect data. Data analysis was done using descriptive and inferential statistics.

The findings revealed that the level of transparency in the county government was good. They further revealed that transparency reduced corruption during tendering process hence resulting to enhanced performance in public institutions. Further the researcher found out that Public administration on tendering process leads to accountability during the tendering process and hence positive performance of public institutions.

The research findings also revealed that high lead time variability due to tendering was a major reason for the institutions inability to achieve inventory goals and hence affecting the performance of public institutions negatively. Based on the findings, the researcher recommended that the organization employees to be more transparent in the tendering process, the organization puts in place measures to enhance transparency during the process and also to
minimize lead time to enhance the speedy delivery in the organization and thus enhance overall organization performance of the organization.

(Bodunrin, 2016), reviewed and analyzed the challenges and prospects of Public Procurement Practices in Nigeria. Data were sourced basically from secondary sources, such as textbooks, journals, magazines, newspapers and government publications. Results from this study revealed that the existence of multiple procurement guidelines and procedures, overt emphasis on procurement of manpower, the fear of vigilance, poor/quality training and lack of centralized data sharing facility etc. were the challenges and problems of effective public procurement practices in Nigeria.

This study therefore recommended that, there is need to either have qualified staff handling procurement or to provide adequate professional training to convert the procurement officials into procurement managers.

2.3 Critical Review and Gap Identification

The aim of the above literature review was to analyze the studies carried out on procurement effectiveness with a special focus on, need assessment, cost estimation and quality specification. Nwabuzor (2005) describes a comprehensive procurement performance as a function of an all-inclusive RDB process that analyzes all the variables in a specific environment. In relation to the above discussion, the studies and theories have established the value of, cost estimation, quality specification and need assessment. They, however, fail to highlight in clear terms the role of the above RDB variables on institutional performance.

Therefore, the study attempting to establish these relationships is more necessary for developing application of such relationships and performance with a close link to Mombasa Law Courts. Lack of accountability creates opportunities for corruption. Brinkerhoff (2004)
identifies three key components of accountability, including the measurement of goals and results, the justification or explanation of those results to internal or external monitors, and punishment or sanctions for non-performance or corrupt behavior. Institutions which do not have performance means in their processes, procedures, and plans experience lower performance and higher customer dissatisfaction and employee turnover (Artley & Stroh, 2001, Amaratunga & BAL dry, 2002 and CIPS Australia, 2005).

RDB is one of the primary functions of procurement with a potential to contribute to the success of local government operations and improved service delivery Basheka (2004). It is a function that sets in motion the entire acquisition/procurement process of acquiring services in local governments. Mullins (2003) asserts that the contribution of RDB in facilitating an efficient and effective service delivery in public sector organizations is generally undisputed in both developed and developing countries. Its contribution can be at both central and local government levels of public sector management. This Study revealed a significant positive relationship between RDB and performance in local government procurement systems. These results are compared to international research findings, and suggestions are offered for management, policy making, and future research.

Whereas previous studies have always looked at RDB and its effect on organizational performance not all factors have been dealt with within the institutions of justice in Kenya. The aim of the Public Procurement Regulations of 2006 was to promote fairness, accountability and procedures in procurement in public institutions with the main aim of ensuring efficient use of public funds. However, studies reveal that even after the enactment of the Regulations there are losses of public funds that can be attributed to public procurement. Further, studies indicate dissatisfaction among stakeholders brought about by loopholes left by the Regulations which
may be used by dishonest people to make the process inefficient.

2.4 Theoretical Framework

2.4.1 The Balanced Score Card theory

The first theory of the study the concept of performance explained by the balanced scorecard methodology as an analysis technique designed to translate an organization's mission statement and overall business strategy into specific, quantifiable goals and to monitor the organization's performance in terms of achieving these goals. Kaplan and Norton (1992) explains balanced scorecard methodology as a comprehensive approach that analyzes an organization's overall performance in four ways, based on the idea that assessing performance through financial returns only provides information about how well the organization did prior to the assessment, so that future performance can be predicted and proper actions taken to create the desired future.

The methodology examines performance in four areas: Cost analysis in terms of procurement the most traditionally used performance indicator, includes assessments of measures such as operating costs and return on investment customer analysis looks at customer satisfaction (need assessment) and retention; internal analysis looks at production and innovation, measuring performance in terms of maximizing profit from current products and following indicators for future productivity; and finally, learning and growth analysis explores the effectiveness of management in terms of measures of employee satisfaction and retention and information system performance. As a structure, balanced scorecard methodology breaks broad goals down successively into vision, strategies, tactical activities, and metrics. As an example of how the methodology might work, an organization might include in its mission statement a goal of maintaining employee satisfaction.
2.4.2 Resource-Based Approach theory

The second theory of the study resource -based view (RBV) emphasizes the firm’s resources as the fundamental determinants of competitive advantage through RDB and performance. It adopts two assumptions in analyzing sources of competitive advantage Petered and Barney (2003). First, this model assumes that firms within an industry (or within a strategic group) may be heterogeneous with respect to the bundle of resources that they control. Second, it assumes that resource heterogeneity may persist over time because the resources used to implement firms’ strategies are not perfectly mobile across firms. Resource heterogeneity (or uniqueness) is considered a necessary condition for a resource bundle to contribute to a competitive advantage. The argument goes “If all firms in a market have the same stock of resources, no strategy is available to one firm that would not also be available to all other firms in the market, Cool etal (2002). Barney (2003) explains Procurement Performance is attributed to resources having intrinsically different levels of efficiency in the sense that they enable the firms to deliver greater to their customers for a given cost (or can deliver the same benefit levels for a lower cost).

2.4.3 Agency Theory

Agency theory attempts to describe the agency relationship, in which one party (the principal) delegates work to another party (the agent), who performs that work (Eisenhardt, 1989). Two problems can arise in such relationships, the desires and goals of the principal and agent can conflict, and it is difficult for the principal to verify what the agent actually is doing. Principal–agent researchers are concerned with a general theory of the principal-agent relationship, a theory that can be applied to employer-employee, buyer-supplier and other agency relationships. Agency theory is most relevant in situations in which contracting problems are difficult. These include situations in which there is a substantial goal conflict between principals
and agents and sufficient outcome uncertainty to trigger the risk implications of the theory (Eisenhardt, 1989). This may be more the case with procurement in the private sector, where there are fewer regulations than in the public sector, and where tendering is not required. Private businesses are free to have long term relationships with software developers and consulting firms. Jones (1995) suggests that long term relationships with vendors may in the long run lead to higher effectiveness, due to the stability of the relationship being dependent on controlling goal conflicts.

The variables are public sector procurement process, procurement delay and procurement process challenges guides the performance of public procurement. From the above theory we can see the performance can be lower due the wrong information given from principal to agent. Sometimes is found that the principal is given right specification and order from the procurement office but in delegation he/she provides wrong information. If the agent is in conflict with the principal may be last work the agent given low amount of money from the principal, he agent) may work under low quality so as to compensate his lost money. The strength of this theory helps the principal to work accordingly to what he knows and delegate the rest to others who are in profession of that.

2.5 Conceptual Framework

A conceptual framework is a set of broad ideas and principles taken from relevant fields of enquiry and used to structure a subsequent presentation (Biklen 2003). In conducting the study, a conceptual framework has been developed to show the relationship between the independent variables and dependent variable. In this study, the dependent variable was organizational Performance and the independent variables were procurement practices;
Implementation of procurement practices is determined by the level of compliance with procurement regulations, minimization of procurement expenditure, transparency and accountability of procurement funds, and quality of procured goods and services. The study was conducted through a preliminary investigation in 2017. The conceptual framework highlights the relationship between public procurement practices and organizational performance, with government policies and skilled personnel acting as intervening variables. The dependent variable is organizational performance, which is influenced by organizational strategy, corporate structure design, development of corporate and employee culture, community satisfaction, and development of employee’s skills. The figure shows the causal relationships between the independent variable, public procurement practices, and the dependent variable, organizational performance.
accountability of procurement funds and quality of procured goods and services (Gadde 2007). Effective implementation of procurement practices entails implementation of strategies to be followed when making organization purchasing decisions. These include building supplier relationships, team-based approaches to procurement and proper use of technology or e-procurement. Effective implementation of procurement practices significantly improves the effectiveness of purchasing decisions.

One of the most important factor that promotes effective implementation of procurement practices is improving the relationship between the buyers and suppliers. Choosing a supplier based solely on pricings often viewed as short-sighted and may be ineffective.

An alternative procurement practice is to use suppliers that offer reliable products at fair prices (Elliot, 2007). A key factor that affects effective implementation of procurement practices is to making an entire organization department responsible in some way for procurement (Simpson &Power 2007). Making procurement practices more of a team effort boosts employees’ morale and improves strategic approaches to purchasing. Some practices include designating a representative from each department to sit on a procurement committee that consults regularly with the procurement department (McCrudden, 2008). One of the most widely discussed issue that promotes effective implementation of procurement practices is the use of e-procurement. E-procurement is an electronic method of purchasing supplies and services.

Companies that purchase e-procurement software are able to receive products and service payments online. E-procurement is considered as an effective procurement practice because it can reduce overhead expenses by eliminating purchasing agent costs.
2.6 Summary

Many public procurement activities suffer from neglect, lack of direction, poor co-ordination, lack of open competition and transparency, differing levels of corruption and most importantly not having a cadre of trained and qualified procurement specialists, who are competent to conduct and manage such procurements, in a professional, timely and cost effective manner. Inflexible and bureaucratic systems of procurement contribute to unacceptable contract delays, increased costs, the potential for manipulation of contract awards and lack of fair competition, all of which create the perception in the population at large, that public expenditure is slow, ineffective, expensive and often corrupt.

In improving public procurement in Kenya as well as reform initiatives have centered on making the acquisition process more efficient, essentially by blocking legal and procedural loopholes believed to be avenues for waste and corruption in the system. Consequently, much effort has been devoted in bringing together existing procurement regulations, including directives, into a single document the Rwanda Public Procurement Authority Act, 2007 and to making this document clearly understood, easily accessible by and properly enforceable. These efforts remain valid and justified especially considering the general legislative and regulatory weakness that has characterized procurement in Rwanda’s public sector over the last two or so decades.
CHAPTER THREE: RESEARCH METHODOLOGY

3.0 Introduction

This chapter presents and discusses the research methodology of the study. It includes the research design, the target population, sample design, sampling design, data collection, validity, reliability and data analysis techniques.

3.1 Design of the study

This research used the descriptive design to attempt to describe, explain and interpret the phenomenon of risk management practices and financial sustainability. A descriptive research is concerned with conditions, practices, structures, differences or relationships that exist, opinions held, processes that are going on or trends that are evident.

According to Ordo (2009), he observed that the descriptive survey design was one to design information concerning the current phenomena and where possible to draw general conclusion from facts. It allows researcher to gather information for the purpose of clarification.

The research will also follow quantitative and qualitative approaches. For quantitative approach, the researcher will analyze figures from RDB financial statements over different years to assess whether the investments are profitable in order to bridge the gaps that may occur. Qualitative approach will also be followed to get responses from different respondents.
3.2 Target population

Population is a group of individuals, objects or items from which samples are taken (Kombo & Tromp, 2006). A population refers to an entire group of persons or elements that have at least one thing in common. This study is carried out to analyze the procurement management and performance of public institutions. The study population comprised of 80 RDB staff employed in divisions that are closely related to the area of research such as institutional planning, finance and accounting department, quality assurance and internal audit, procurement, Tourism development and any other persons that might provide relevant information such as members of procurement committee.

3.3 Sample size and sampling techniques

3.3.1 Sample size

According to Marketinell (2012), a sample is a part of an entire population that possesses attitude opinion, habit or characteristics that you wish to study. The appropriate sample size is influenced by your purpose in conducting the research. Inappropriate, inadequate or excessive sample size can highly influence the quality and accuracy of results of the study. The sample size of this study is 42 determined by using the sloven’s formula which is a random sampling technique formula to estimate sampling size, stated as

\[ n = \frac{N}{1 + Ne^2} \]

Where \( n \) stands for samples size:

\( N = \) Total population; \( e = \) Error tolerance; \( l = \) Constant number

Therefore, for this study;

\( N = 80 \)
3.3.2 Sampling Techniques

**Purposive sampling**

This is a technique with regard to which item should be included or exclude in the sample rest on the researcher’s judgment and intuition. (Mannheim and Richard, 1995). Purposive technique enabled the researcher to choose respondents basing on the fact that they have desirable characteristic and variables related to the issue being studied. The procurement management and performance of public institutions depends on staff that has enough skills on procurement field and business management analysis field. It also ensures that only people with relevant information are sampled.

**Random Sampling**

This technique has the property that every possible combination of objects in the population studied has an equal chance of being selected. In that case the researcher includes everyone in the study considering that all respondents have common observable characteristics.

3.4 Data Collection Methods

Both primary and secondary sources will be used for data collection. Primary qualitative and quantitative data will be collected by the use of semi-structured questionnaire and structured observation administered to the target population. For secondary data, reviewing the existing literature on the subject helping to answer the questions of the study.
The secondary data is the data that have been already collected by and readily available from other sources. The researcher collected secondary data through documents included books, journals, reports, internal policy, procedure manual, and other documents through libraries and internet-based research produced justifiable results.

The researcher will chose this technique of data collection by questionnaire due to the fact that the target population is mainly educated meaning that they can respond the written questions.

**Questionnaire**

Primary data: According to Meredith (1996), defines questionnaire as a list of questions generally mailed or handed to the respondents and filled in by her with no help to the interviewer. The questionnaire contained both open and closed ended questions that will be addressed to the respondents. This tool developed by the researcher and the researcher preferred this tool because it makes use of large samples over a short time and it is not expensive. This questionnaire has a set of questions in form of open and to be respondent by individual who will ask to provide necessary information on procurement management and performance of public institutions a case of RDB in Rwanda

3.4.1 Administration of Data Collection Instruments

The administration of questionnaire will proceed by a visit of the study zone that will assist in refining timings of the presentation. It will provide a rough picture of the respondent’s ideas. The researcher will agree with the respondents when the research instrument is available for administration. The questionnaire will be collected after one week to ensure that all participants are completing the questionnaire. This is enough time for respondents to give full information about the topic.
3.4.2 Validity and Reliability of Instruments

Content validity of the instruments will be ensured through use of valid concepts which measure the study variables. Construct validity will be used to ensure that the questionnaire content is valid and this will be done using factor analysis using the statistical Package Excel, SPSS 20 version for finding the reliability coefficient. The reliability will be insured by sources of filled questionnaires while collecting them.

Validity

According to Orodho (2009), defines validity of a test as a measure of how well a test measures what is supposed to measure. Validity is the degree to which results obtained from analysis of data actually represent the phenomenon under investigation. Before actual research will be carried out, the researcher made sure that the instrument is checked for validity and pre-tested to determine its reliability. To ensure the validity of the instrument researcher checking the questionnaire for consistency of the items, conciseness, intelligibility and clarity.

A pilot study will be conducted for testing the instrument’s reliability and validity, the completeness, responses and analyzing the various measures within the instrument. Here we are going to use only 3 respondents equivalent with 10% of all participants of the study (target population of the study).

Reliability

According to Rossi (2004), the reliability is the degree to which an assessment tool produces stable and consistent results. The reliability of a measurement instrument is the extent to which the measures produces the same results when used repeatedly to measure thing. The more reliable a measure is, the greater it’s statistical power and the more credible its findings. This
means when questionnaire administered to different respondents at different intervals of period and get the same results. You again test if you can still get the same information that was similar to the first one obtained from same strata.

The researcher reset the questions, re-administer the questionnaire to another group of respondents at different intervals and found out the same results are generated, with that the researcher is able to tell if the measurement was reliable after many trials and get the same results.

For this study to be reliable, the researcher will use a test-retest reliability which is a measure of reliability obtained by administering the same test twice over a period of time. The scores from time one and time two are then correlated in order to evaluate the test for stability over time. The second administration will come 6 days after the first. The purpose is to verify the stability of data or information collected.

3.5 Data analysis Procedure

Data analysis aims at fulfilling the research objectives and provided answers to the research questions. For the collected data to be understood by the common man easily, it needs to be analyzed. The research will use qualitative and quantitative techniques in analyzing the data. After receiving questionnaires from the respondents, the responses will be, classified, coded and tabulated to analyze quantitative data using Statistical Package for Social Science (SPSS 20). Tables and charts will be used for further representation for easy understanding and analyzes. The collected data will be thoroughly examined and checked for completeness and comprehensibility. The data will then be summarized, coded and tabulated. The findings from the analyzed data will be used to compare them with the financial information found from annual financial reports from the project. The financial information will be translated into form
of percentages by using profitability ratios approach. Tables and graphical demonstrations will be used to illustrate a clear financial image. Finally after the comparison from all findings the conclusion will be made by depicting the effect of risk management practices on the success of construction projects.

3.6 Ethical consideration

The research process should consider ethical issues through the research process. That is from research problem identification to finding dissemination. Ethical considerations include informed consent, voluntary participation, doing no harm to the respondents, anonymity, confidentiality, selecting the respondents fairly. Other ethical issues include only assess relevant components and respecting the respondents. It is the Responsibility of the researcher to maintain the confidentiality of all information that might affect the privacy of the respondents. In the process of collecting data the questionnaires will be distributed to the different respondents and each questionnaire will be coded, therefore their names are not interested, their information will only be used for research purpose and will not be disclosed by anyone else.
CHAPTER FOUR: RESEARCH FINDINGS AND DISCUSSION

4.0 Introduction

This chapter covers data presentation and analysis. The main objective of the study was to assess the public procurement practices and organization’s performance in Rwanda Development Board. In order to simplify the discussions, the researcher provided tables and figures that

4.1 Demographic presentation of respondents

The study sought to establish the demographic information in order to determine whether it had influence on the procurement practices and organization’s performance in Rwanda Development Board. The demographic information of the respondents included: Gender of Respondents, levels of education, professional qualification position held, number of years worked in RDB and also whether the respondents are involved in any way with the procurement practices, supplies or administrative function.

Table 4.1: Distribution of Respondents by Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>30</td>
<td>62.5%</td>
</tr>
<tr>
<td>Female</td>
<td>18</td>
<td>37.5%</td>
</tr>
<tr>
<td>Total</td>
<td>42</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: (Researcher, 2017)
From table 4.2 above, the study revealed that more than half of the respondents, 30 (62.5%) were male while female constituted 18 (37.5%) of the total respondents. Major finding: Majority of the respondents were male.

**Table 4.2: Distribution of Respondents by Education level**

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secondary Level</td>
<td>2</td>
<td>4.1%</td>
</tr>
<tr>
<td>Diploma</td>
<td>1</td>
<td>2%</td>
</tr>
<tr>
<td>Bachelor’s Degree</td>
<td>21</td>
<td>56.2%</td>
</tr>
<tr>
<td>Master’s Degree</td>
<td>15</td>
<td>31.2%</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
<td>6.25%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>42</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: (Researcher, 2017)

The researcher sought to find the highest level of education of the respondents. Education is an important factor because it makes a person to efficiently execute the charged roles and functions effectively. According to the analysis of the findings, it emerged that a majority (56.2%) of the participants had undergraduate degrees while 31.2% had a master’s degree. The study also revealed that a small percentage had secondary level, diploma and others. Therefore the results of findings conclude that most respondents were university graduates thus, were much more aware of the latest technologies to embrace pertaining to procurement practices within Rwanda Development Board efficiently.
Table 4. 3: Distribution of Respondents by Working Experience

<table>
<thead>
<tr>
<th>Working Experience</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 – 3 years</td>
<td>10</td>
<td>20.8%</td>
</tr>
<tr>
<td>4 – 6 years</td>
<td>13</td>
<td>33.3%</td>
</tr>
<tr>
<td>7 – 9 years</td>
<td>6</td>
<td>16.6%</td>
</tr>
<tr>
<td>10 -12 years</td>
<td>5</td>
<td>12.5%</td>
</tr>
<tr>
<td>Over 12 years</td>
<td>6</td>
<td>16.6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>42</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

**Source:** (Researcher, 2017)

The researcher also found it of paramount importance to determine the number of years worked in RDB. Based on the findings of the study, it was revealed that 33.3% have worked for 4-6 years who comprised the majority of the respondents followed by 20.8% who indicated 0-3 years, 16.6% indicated 7-9 years. In addition, it was revealed that 16.6% have worked over 12 years. The findings of the study conclude that most of the respondents have in the respectful working experience.
4.2 Presentation of findings

4.2.1 Effectiveness of public procurement practices in RDB

Table 4.4: Respondents opinions on Use of Procurement practices in the Organization

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>My procurement entity normally use national competitive tender to procure goods, works and services</td>
<td>3.91</td>
<td>0.930</td>
</tr>
<tr>
<td>My procurement entity normally use request for proposal to procure goods, works and services</td>
<td>3.83</td>
<td>0.964</td>
</tr>
<tr>
<td>My procurement entity normally use international competitive tender to procure goods, works and services</td>
<td>3.63</td>
<td>0.705</td>
</tr>
<tr>
<td>My procurement entity normally use restricted tender to procure goods, works and services</td>
<td>3.58</td>
<td>1.041</td>
</tr>
<tr>
<td>My procurement entity normally use request for quotation to procure goods, works and services</td>
<td>3.07</td>
<td>1.205</td>
</tr>
<tr>
<td>My procurement entity normally use direct procurement to procure goods, works and services</td>
<td>3.31</td>
<td>0.859</td>
</tr>
</tbody>
</table>

Source: Field Data (2017)

The researcher sought to investigate the extent of agreement or disagreement on the use of procurement methods in the organization. Those agreed were on procurement entity normally use national competitive tender to procure goods, works and services with a mean of 3.91 and a standard deviation 0.930, procurement entity normally use request for proposal to procure
goods, works and services with a mean of 3.83 and a standard deviation of 0.964, procurement entity normally use international competitive tender to procure goods, works and services with a mean of 3.63 and a standard deviation of 0.705, and on procurement entity normally use restricted tend to procure goods, works and services with a mean of 3.58 and a standard deviation of 1.041. In addition, those who were to a moderate extent were indicated on the statements that procurement entity normally use direct procurement to procure goods, works and services with a mean of 3.31 and a standard deviation of 0.859, that procurement entity normally use request for quotation to procure goods, works and services with a mean of 3.07 and a standard deviation of 1.205. The study findings therefore conclude that most of the respondents agreed that RDB used various procurement practices.
4.2.2 Compliance with Public Procurement standards

Table 4.5: Effects of Quality on Procurement practices & Operational Performance

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The use of national competitive leads to a lower Percentage of rejects in goods received</td>
<td>5.25</td>
<td>0.803</td>
</tr>
<tr>
<td>The use of international competitive tender leads to a lower Percentage of rejects in goods received</td>
<td>4.73</td>
<td>0.605</td>
</tr>
<tr>
<td>The use of direct procurement leads to a lower Percentage of rejects in goods received</td>
<td>4.63</td>
<td>1.06</td>
</tr>
<tr>
<td>The use of international competitive bid leads to a lower Percentage of rejects in goods received</td>
<td>4.61</td>
<td>1.105</td>
</tr>
<tr>
<td>The use of restricted tender leads to a lower Percentage of rejects in goods received</td>
<td>4.27</td>
<td>0.566</td>
</tr>
<tr>
<td>The use of request for proposal leads to a lower Percentage of reject in goods received</td>
<td>3.58</td>
<td>0.605</td>
</tr>
<tr>
<td>The use of low value leads to a lower Percentage of rejects in goods received</td>
<td>3.37</td>
<td>0.503</td>
</tr>
</tbody>
</table>

Source: Field Data (2017)

The researcher also sought to find out the extent quality control affects Procurement practices & Operational Performance. The findings reveals that those strongly agreed were on statements that the use of national competitive leads to a lower Percentage of rejects in goods received with a mean of 5.25 and a standard deviation of 0.803, use of international competitive tender leads to a lower Percentage of rejects in goods received with a mean of 4.73 and a standard deviation of 0.605, use of direct procurement leads to a lower Percentage of rejects in goods received with a mean of 4.63 and a standard deviation of 1.06, and on the use of international competitive bid leads to a lower Percentage of rejects in goods received with a
mean of 4.61 and a standard deviation of 1.105. In addition, those agreed were on the use of restricted tender leads to a lower Percentage of rejects in goods received with a mean of 4.27 and a standard deviation of 0.566 and on the use of request for proposal leads to a lower Percentage of rejects in goods received with a mean of 3.58 and a standard deviation of 0.605. Moreover, the findings revealed that those who were to a moderate extent were on the statement that the use of low value leads to a lower Percentage of rejects in goods received with a mean of 3.37 and a standard deviation of 0.503. Thus the findings of the study concludes that quality control affected Procurement practices & Operational Performance among Rwanda Development Board.

Table 4.6: Effects of Quantity on Procurement Practices & Operational Performance

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The use of international competitive tender leads receipt of the right</td>
<td>5.41</td>
<td>0.615</td>
</tr>
<tr>
<td>goods.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The use of national competitive leads receipt of the right quantity of</td>
<td>4.37</td>
<td>0.598</td>
</tr>
<tr>
<td>goods.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The use of restricted tender leads receipt of the right quantity of goods</td>
<td>3.83</td>
<td>0.606</td>
</tr>
<tr>
<td>The use of international competitive leads receipt of the right quantity</td>
<td>3.71</td>
<td>1.035</td>
</tr>
<tr>
<td>of goods.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The use of request for proposal leads receipt of the right quantity of</td>
<td>3.57</td>
<td>1.249</td>
</tr>
<tr>
<td>goods.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The use of direct procurement leads receipt of the right quantity of</td>
<td>2.95</td>
<td>0.993</td>
</tr>
<tr>
<td>goods.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Field Data (2017)

The study sought to determine the extent quantity affects Procurement Practice Operational Performance. According to the study findings, those strongly agreed were on statements that use of international competitive tender leads receipt of the right quantity of goods with a mean of 5.41 and a standard deviation of 0.615. Those agreed were on the use of national competitive
leads receipt of the right quantity of goods with a mean of 4.37 and a standard deviation of 0.598, use of restricted tender leads receipt of the right quantity of goods with a mean of 3.83 and a standard deviation of 0.606, use of international competitive leads receipt of the right quantity of goods with a mean of 3.71 and standard deviation of 1.035 and the use of request for proposal leads receipt of the right quantity of goods with a mean of 3.57 and a standard deviation of 1.249.

Further, the findings of the study revealed that those indicated to a moderate extent were on the statement that use of direct procurement leads receipt of the right quantity of goods with a mean of 2.95 and a standard deviation of 0.993. The findings of the study clearly reveal that indeed quantity affects Procurement Practice & Operational Performance.

**The most procurement methods used in RDB.**

**Table 4.7: Competitive Procurement Methods & Procurement Performance**

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The use of competitive procurement method leads to overpriced bids</td>
<td>5.13</td>
<td>0.674</td>
</tr>
<tr>
<td>The use of competitive procurement method contract to split of Requirements</td>
<td>4.57</td>
<td>0.779</td>
</tr>
<tr>
<td>The use of competitive procurement method leads to increase in unethical behavior among procurement staff</td>
<td>3.62</td>
<td>0.805</td>
</tr>
<tr>
<td>The use of competitive procurement method leads to poor quality of goods being delivered</td>
<td>3.08</td>
<td>0.764</td>
</tr>
</tbody>
</table>

*Source: Field Data (2017)*

The study also investigated some of the challenges encountered on the implementations of procurement methods & procurement performance. On this vein the researcher established the competitive methods of procurement methods & Operational performance. Those indicated strongly agree were on statements that the use of competitive procurement method leads to
overpriced bids with a mean of 5.13 and a standard deviation of 0.674 and on the use of competitive procurement method contracts leads to split of Requirements with a mean of 4.57 and a standard deviation of 0.779. In addition, those agreed were on the use of competitive procurement method leads to increase in unethical behavior among procurement staff with a mean of 3.62 and a standard deviation of 0.805. Moreover, the findings of the study showed that those indicated to a moderate extent were on the statement that use of competitive procurement method leads to poor quality of goods being delivered with a mean of 3.08 and a standard deviation of 0.764. Therefore the study findings conclude that most of the participant agreed.

Table 4. 8: Non- Competitive Methods of Procurement & Operational Performance

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Standard D</th>
</tr>
</thead>
<tbody>
<tr>
<td>The use of non - competitive procurement method leads to increase in unethical behavior among procurement staff</td>
<td>5.42</td>
<td>0.749</td>
</tr>
<tr>
<td>The use of non - competitive procurement method leads to poor quality of goods being delivered</td>
<td>4.95</td>
<td>0.859</td>
</tr>
<tr>
<td>The use of non - competitive procurement method leads to overpriced bids</td>
<td>3.94</td>
<td>0.713</td>
</tr>
<tr>
<td>The use of non - competitive procurement method leads to split of Requirements</td>
<td>3.62</td>
<td>0.551</td>
</tr>
</tbody>
</table>

*Source: Field Data (2017)*

The researcher also sought perceptions from the participants on non- competitive methods of procurement & procurement performance. From the findings of the study, those strongly agreed indicated that use of non - competitive procurement method leads to increase in unethical behavior among procurement staff with a mean of 5.42 and a standard deviation of 0.749, and use of non-competitive procurement method leads to poor quality of goods being delivered with a mean of 4.95 and a standard deviation of 0.859. Those agreed were on use of
non–competitive procurement method leads to overpriced bids with a mean of 3.94 and a standard deviation of 0.713 and the use of non-competitive procurement method contracts leads to split of Requirements with a mean of 3.62 and a standard deviation of 0.551. This implies that non-competitive methods of procurement affects procurement Performance.

**Table 4.9: Direct Procurement & Procurement Performance**

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The use of direct procurement and low value procurement leads to increase in unethical behavior among procurement staff</td>
<td>4.13</td>
<td>0.754</td>
</tr>
<tr>
<td>The use of direct procurement and low value procurement method contracts leads to split of Requirements</td>
<td>3.95</td>
<td>1.007</td>
</tr>
<tr>
<td>The use of direct procurement and low value procurement leads to overpriced bids</td>
<td>3.57</td>
<td>0.843</td>
</tr>
<tr>
<td>The use of direct procurement and low value procurement leads to poor quality of goods being delivered</td>
<td>3.07</td>
<td>0.984</td>
</tr>
</tbody>
</table>

*Source: Field Data (2017)*

The researcher further required the respondents to indicate on direct procurement and procurement performance. Those agreed were on the use of direct procurement and low value procurement leads to increase in unethical behavior among procurement staff with a mean of 4.13 and a standard deviation of 0.754, use of direct procurement and low value procurement method contracts leads to split of Requirements with a mean of 3.95 and a standard deviation of 1.007, and on use of direct procurement and low value procurement leads to overpriced bids with a mean of 3.57 and a standard deviation of 0.843. In addition, those indicated moderate extent were on statement that the use of direct procurement and low value procurement leads to poor quality of goods being delivered with a mean of 3.07 and a standard deviation of 0.984.
Therefore, it is depicted that most of the respondents agreed that direct procurement affects procurement performance.

4.2.3 The relationship between public procurement practices and Operational Performance

This section presents a discussion of the results of the analysis between procurement practice and Operational performance. Correlation analysis was used to measure the strength of the relationship between variables under study such as public procurement practices and Operational performance. Hence, the researcher used Pearson correlation coefficient and found the relationship between the variables under study.

4.2.3.1 Correlation Analysis

The Pearson product-moment correlation coefficient (or Pearson correlation coefficient for short) is a measure of the strength of a linear association between two variables and is denoted by $r$. The Pearson correlation coefficient, $r$, can take a range of values from +1 to -1. A value of 0 indicates that there is no association between the two variables. A value greater than 0 indicates a positive association, that is, as the value of one variable increases so does the value of the other variable. A value less than 0 indicates a negative association, that is, as the value of one variable increases the value of the other variable decreases.
Table 4. 10: Correlation

<table>
<thead>
<tr>
<th></th>
<th>Procurement Practice</th>
<th>Organizational Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public procurement practice</td>
<td>Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>42</td>
</tr>
<tr>
<td>OperationalPerformance</td>
<td>Pearson Correlation</td>
<td>.867**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>42</td>
</tr>
</tbody>
</table>

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

Source: (Researcher, 2017)

Legend:

[-1.00 – 0.00]: Negative Correlation

[0.00 – 0.25]: Positive and very low correlation

[0.25 – 0.50]: Positive and low correlation

And [0.75 – 1.00]: Positive and very high correlation

Table 4.11 shows the correlation relationship between public procurement practice and operational performance.

The study used Pearson correlation coefficient and found that the coefficient r equal to 0.867. The variation Pearson coefficient correlation is between -1 and 1. According to the researcher, the correlation of 0.867 (86.7%) is located in interval 0.75 -1.0 categorized as positive and very
high correlation. As the significant level is at 0.01 (1%), the p-value of 0.000 (i.e. 0.0%) is less than 1%. This leads to confirm that there is significant relationship between procurement practices and operational performance. Hence, this coefficient implies that as procurement practices done well the level of RDB’s operations has improved, and then as procurement practices are not done well, operations of RDB should fail. According to the finding of this study and other studies as indicated in chapter two empirical studies and theories, the researcher agreed that procurement practices can leads to the operational performance in public institutions.
CHAPTER FIVE: SUMMARY, CONCLUSIONS & RECOMMENDATIONS

5.0 Introduction

This chapter covers the findings and makes conclusions based on the objective of the study which was to assess the public procurement practices and organization’s performance in Rwanda Development Board. This chapter also contains a summary, conclusion and recommendations for improvement arising from the study and proposes direction for further research.

5.1 Summary of Findings

The main purpose of this study was to assess the public procurement practices and organization’s performance in Rwanda Development Board. The descriptive results revealed that on the use of procurement practices in the organization’s performance, those agreed were on procurement entity normally use national competitive tender to procure goods, works and services, procurement entity normally use request for proposal to procure goods, works and services, procurement entity normally use international competitive tender to procure goods, works and services, and on procurement entity normally use restricted tender to procure goods, works and services.

On the extent quality control affects procurement practices & organization’s performance, those strongly agreed said that the use of national competitive leads to a lower Percentage of rejects in goods received, use of international competitive tender leads to a lower Percentage of rejects in goods received, use of direct procurement leads to a lower Percentage of rejects in goods received, and on the use of international competitive bid leads to a lower Percentage of rejects in goods received.
In addition, those agreed indicated that the use of restricted tender leads to a lower Percentage of rejects in goods received and on the use of request for proposal leads to a lower Percentage of rejects in goods received.

The researcher also established the extent quantity control affects Procurement Practices & Organization’s Performance. The findings indicated that those strongly agreed said that use of international competitive tender leads receipt of the right quantity of goods. Those agreed were on the use of national competitive leads receipt of the right quantity of goods, use of restricted tender leads receipt of the right quantity of goods, use of international competitive leads receipt of the right quantity of goods and on the use of request for proposal leads receipt of the right quantity of goods.

The researcher also sought to determine the extent time management affects Procurement Practices & Organization’s Performance. Those strongly agreed indicated that use of international competitive bid leads to a timely delivery of goods, services, or works. In addition, those agreed were on the use of request for proposal leads to a timely delivery of goods, services, or works, use of international competitive tender leads to a timely delivery of goods, services, or works, use of restricted tender leads to a timely delivery of goods, services, or works and that the use of direct procurement leads to a timely delivery of goods, services, or works.

On the extent price control affects Procurement Practices & Organization’s Performance, the findings of the study revealed those strongly agreed were said that use of direct procurement lower prices paid for goods, services and works against the standard market prices and also use of national competitive leads lower prices paid for goods, services and works against the standard market prices.
Those agreed indicated that use of restricted tender lower prices paid for goods, services and works against the standard market prices, use of international competitive bid leads lower prices paid for goods, services and works against the standard market prices, use of request for proposal leads to a lower Percentage of rejects in goods received and the use of international competitive tender leads lower prices paid for goods, services and works against the standard market prices.

Further, the researcher aimed to determine the extent Place affects Procurement Practices Organization’s Performance. Those agreed said that use of national competitive leads to a great Percentage of goods, works and services delivered to the right place, use of restricted tender leads to a great Percentage of goods, works and services delivered to the right place, use of international competitive tender leads to a great Percentage of goods, works and services delivered to the right place and on use of international competitive bid leads to a great Percentage of goods, works and services delivered to the right place.

On the challenges on the Implementations of Procurement Practices & Organization’s Performance, it was revealed that use of competitive procurement practices leads to overpriced, use of competitive procurement practices contracts leads to split of Requirements and also the use of competitive procurement practices leads to increase in unethical behavior among procurement staff.

On non-competitive methods of procurement and procurement performance those strongly agreed indicated that use of non-competitive procurement method leads to increase in unethical behavior among procurement staff, and use of non-competitive procurement method leads to poor quality of goods being delivered, use of non-competitive procurement method
leads to overpriced bids and the use of non-competitive procurement method contracts leads to split of Requirements.

On the direct procurement & Organization’s Performance, the findings revealed that those agreed were on the use of direct procurement and low value procurement leads to increase in unethical behavior among procurement staff, use of direct procurement and low value procurement method contracts leads to split of Requirements, and on use of direct procurement and low value procurement leads to overpriced bids.

5.2 Conclusion

In view of the findings emanating from this study it can be concluded that procurements practices affects organization’s performance in Rwanda Development Board. The regression models designed demonstrate that procurement practices & organization’s performance is related to place, time, quantity, quality and price of procurement. The regression models designed for evaluating procurement performances can offer quick and easy quantitative measure of performance than earlier models that were qualitatively based.

5.3 Recommendations

From the study findings the following recommendations were made;

This study strongly recommends application of procurement practices to clients, consultants and contractors in Rwanda Development Board.

For policy makers in government, practitioners and stakeholders in Rwanda and other developing countries there is need for development of their awareness on procurement practices measurement for future procurement endeavors.
Awareness on procurement practices should be disseminated to professional bodies, organizations performance and governmental agencies so as to monitor procurement practices of their future organization performance.

RDB should develop and implement auditing and review programs in order to monitor and improve procurement operations and performance.

The management of RDB should improve on the level of compliance with procurement regulations compliance, design and apply better procurement policies, support and encourage other staff to execute procurement functions in accordance with the procurement regulations and procurement policies, use effective procurement procedures, improve on relationship between management and stakeholders and employ better methods of managing organization resources.

The management of RDB should to invest extensively in employees training by emphasizing and promoting the culture of learning in the organization. The management should also employ professional trained procurement staff and continuously train the staff on emerging issues on public procurement practices.

5.4 Suggestions for Further Research

The research met with various challenges when conducting the research that included the fact that procurements practices & organization’s performance in Rwanda Development Board ordinarily do not want to give information due to client confidentiality. The findings of the study may not be generalizable to other organizations in Rwanda due to differences in social, political and economic environments in different parts of the country. In addition, some of the respondents would not find the subject to be of interest. Additionally, some respondents would not want to give the information as they considered it of competitive importance. This study
was also limited by other factors in that some respondents may have been biased or dishonest in their answers. However, the researcher did look for contradictions in the information given and no inconsistency were found.

This study was not exhaustive by any means and therefore it is recommended that another study be conducted in public procurement sector and focus on variables like procurement performance measurement. The same study can be conducted in another sector to test whether the findings of this study will hold true in a different context.
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APPENDICES

APPENDIX I: QUESTIONNAIRE

I, RANGIRA HILARY student at Mount Kenya University, I am carrying out a research study on “An assessment of the role effective procurement on public institutions performance case study of Rwanda Development Board. Therefore, I would like to humbly request you to provide necessary information about my research study. You are kindly requested to answer the following questions and your sincerity is expected while confidentiality of information from you will be highly respected and the results will be used for the mentioned purpose only.

Please tick in the box provided or in the black spaces appropriately.

Thank you for your co-operation.

Researcher.

RANGIRA HILARY

Instructions

Please tick in the brackets against the right answer [✓] or briefly explain your answer where applicable.

The following questions are clear and concise. Please answer them according to your knowledge and competences.
APPENDIX II: QUESTIONNAIRE FOR PROCUREMENT DEPARTMENT

Please fill the questionnaire as accurately as possible. The views expressed here are confidential and are meant for academic research only. Check the line or box provided before each questionnaire to answer.

SECTION A. Demographic character of respondents

Gender:
(i) Male ( 
(ii) Female ( 

Please show your job title in the organization…………………………………………………

1. Have you heard about Public Procurement Act?
   (i) Yes ( 
   (ii) ii. No ( 

2. How many years have you ever worked
   (i) Below 5 years ( 
   (ii) Above 5 years ( 

3. Does the procurement unit responsible for all procurements carry out its Functions in compliance with the public procurement act?
   (i) Yes ( 
   (ii) No ( 
   (iii) I don’t know ( 


4. Is it necessary to adopt the procurement cycle in Public Procurement Authority in all our activities
   (i) Strongly Agree
   (ii) Agree
   (iii) Strongly Disagree

5. What are some of the challenges you face in the process, briefly explain
   ..................................................................................................................
   ..................................................................................................................
   ..................................................................................................................

6. Lower prices are always obtained by going through the Procurement Authority Process
   (i) Agree
   (ii) Disagree
   (iii) Undecided

7. What procurement methods have your organization normally use for Procurement activities?
   (i) International Competitive Tendering
   (ii) National Competitive Tendering
   (iii) Restrictive Tendering
   (iv) Price Quotation
   (v) Single or Sole Sourcing

   Please would you explain why you chose the methods?
   ..................................................................................................................
   ..................................................................................................................

8. Base on your procurement method, what is the duration in getting your required materials?
(i) One month
(ii) Two months
(iii) Three months
(iv) Others, specify

9. Can you give reasons for long lead time in the Procurement Process?
   (i) Suppliers failure to supply on time
   (ii) Burdensome nature of the procurement process
   (iii) Other specify

10. Do you use electronic procurement in your institution?
    (i) Yes
    (ii) No

11. If yes, is the electronic procurement effective in responding to needs of users?
    (i) Strongly Agree
    (ii) Agree
    (iii) Strongly Disagree
    (iv) Disagree
    (v) Undecided

12. Is the quality of materials procured depends on the efficiency of procurement process in your institution?
    (i) Strongly Agree
    (ii) Agree
    (iii) Strongly disagree
    (iv) Disagree
    (v) Undecided

13. In your institution the flow of communication among stakeholders enhances the procurement process
14. Can you briefly state the area(s) in which procurement has failed to perform.

……………………………………………………………………………………
……………………………………………………………………………………
……………………………………………………………………………………

15. How would you rate the overall efficiency of your institution procurement Process?

(i) Excellent (   )
(ii) Very good (   )
(iii) Good (   )
(iv) Bad (   )
(v) Poor (   )

16. What is the performance status of procurement process in your organization?

(i) Excellent (   )
(ii) Very good (   )
(iii) Moderate (   )
(iv) Poor (   )

Please briefly explain how you ensure value for money in your procurement process?
……………………………………………………………………………………
……………………………………………………………………………………

17. Do you use to provide specification/sample during ordering?

(i) Yes (   )
18. Do you inspect quality of the goods, work and or services?
   (i) Yes (  )
   (ii) No(  )
   (iii) Some of them (  )

19. What are the hindrance of the public procurement process especially in terms of quality?
    ……………………………………………………………………………………………
    ……………………………………………………………………………………………
    ……………………………………………………………………………………………

20. Is the procurement process in the RDB involve Transparency?
   i. Yes(  )
   ii. No(  )
   iii. Somehow(  )

21. Are the RDB Procurement officers professionals?
   i. Yes(  )
   ii. No(  )
   iii. Not aware (  )

22. Is the way of tendering involve competitiveness and fairness?
   i. Yes(  )
   ii. No(  )
   iii. Not aware (  )

23. What should be done to rectify all problems raises in public procurement process?
    ……………………………………………………………………………………………
    ……………………………………………………………………………………………
APPENDIX III: INTERVIEW GUIDE FOR TOP & MIDDLE MANAGEMENT AND PROCUREMENT DEPARTMENT

In your opinion what are some practices in public procurement that hinder the effectiveness in RDB?

...........................................................................................................................................................................
...........................................................................................................................................................................

In your own opinion, what do you think can be done to improve the procurement process in the Public Sector?

...........................................................................................................................................................................

How does public procurement processes influence Performance at RDB?
APPENDIX VI: SCHEDULE OF ACTIVITIES/TIME LINE

The researcher is expecting to conduct the research activities and the time line in the way stated in the table below.

APPENDIX THREE: TIMEFRAME OF THE STUDY

<table>
<thead>
<tr>
<th>MONTHS</th>
<th>AUG. 2017</th>
<th>SEPT 2017</th>
<th>OCT. 2017</th>
<th>NOV. 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>TASKS</td>
<td>WEEKS</td>
<td>1 2 3 4</td>
<td>1 2 3 4</td>
<td>1 2 3 4</td>
</tr>
<tr>
<td>Proposal writing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proposal defense</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Data collection</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Data entry and coding</td>
<td></td>
<td></td>
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<tr>
<td>Data analysis</td>
<td></td>
<td></td>
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<tr>
<td>Research draft</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Final research</td>
<td></td>
<td></td>
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<tr>
<td>Research Presentation</td>
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<td></td>
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</tr>
</tbody>
</table>
APPENDIX VII: PROPOSED BUDGET FOR THE STUDY

The research budget is the total expenses in terms of money that a researcher is expecting to spend during the research.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Quantity</th>
<th>Amount (RWF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stationary</td>
<td>Paper 5 Reams</td>
<td>20,000</td>
</tr>
<tr>
<td></td>
<td>Ink 1 Cartridge</td>
<td>10,000</td>
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<tr>
<td></td>
<td>Binding materials 10</td>
<td>10,000</td>
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<tr>
<td>Transport costs</td>
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<td>300,000</td>
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<tr>
<td>Data Analysis</td>
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<td>100,000</td>
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<tr>
<td>Project report</td>
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<td>250,000</td>
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<tr>
<td>Miscellaneous</td>
<td></td>
<td>100,000</td>
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<tr>
<td>Fees for semester four</td>
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<td>550,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>1,390,000</strong></td>
</tr>
</tbody>
</table>